



**OFFER DOCUMENT**

**SUNDARAM INDIA MID CAP – GIFT**

***An open-ended fund of funds scheme organised as a retail scheme and managed by Sundaram Asset Management Company Limited (IFSC Branch)***

**Initial Launch: 16<sup>th</sup> February 2026**

*(the Investment Manager reserves the right to extend the NFO Period in its sole discretion).*

*(Sundaram Asset Management Company Limited (IFSC Branch), is registered with IFSCA as a Registered FME (Retail) with effect from 1 July 2025, bearing registration number FDM2025FMR0849)*

**Trustee:** Axis Trustee Services Limited

**Investment Manager / Fund Management Entity:** Sundaram Asset Management Company Limited (IFSC Branch)

*This document (“**Offer Document**”) is being furnished to you to consider investing in the units of Sundaram India Mid Cap – GIFT (“**Fund**”) launched by Sundaram Asset Management Company Limited (IFSC Branch).*

*Contributors are requested to note that no returns from the Fund is assured or guaranteed.*

*It is to be distinctly understood that filing of the Offer Document with the IFSCA is for the purpose of record and should not in any way be deemed or construed that the same has been cleared or approved by the IFSCA. IFSCA does not take any responsibility either for the financial soundness of any scheme or for the correctness of the statements made or opinions expressed in the Offer Document. The Investment Manager has certified that the disclosures made in the Offer Document are adequate and are in conformity with the IFSCA (Fund Management) Regulations, 2025. This requirement is to facilitate investors to take an informed decision for making investment. The Investment Manager is responsible for the correctness, adequacy and disclosure of all relevant information in this Offer Document.*

*This Offer Document has been prepared in accordance with the IFSCA (Fund Management) Regulations, 2025, and subsidiary directions issued thereunder. The Offer Document has been submitted to the Authority only for the purpose of record.*

**IMPORTANT NOTICE**

*NO ASSURANCE CAN BE GIVEN THAT THE FUND'S INVESTMENT OBJECTIVE OR INVESTMENT STRATEGY WILL BE ACHIEVED. THERE CAN BE NO ASSURANCE THAT THE FUND WILL ACHIEVE ITS TARGET RETURNS OR RETURNS COMPARABLE TO THOSE ACHIEVED BY THE ENTITIES WITH WHICH THE INVESTMENT MANAGER OR THEIR AFFILIATES HAVE BEEN ASSOCIATED.*

*THE FUND WILL INVEST PRIMARILY IN THE UNDERLYING FUNDS. PROSPECTIVE INVESTORS SHOULD CAREFULLY REVIEW THE OFFERING DOCUMENTS OF THE UNDERLYING FUNDS BEFORE INVESTING IN THE FUND, WHICH IS AVAILABLE ON THE WEBSITE – [www.sundarammutual.com](http://www.sundarammutual.com).*

## DISCLAIMERS

THIS OFFER DOCUMENT IS ISSUED IN CONNECTION WITH AND RELATES TO AN INVESTMENT IN THE UNITS OF THE FUND. THE INVESTMENT MANAGER IS REGISTERED WITH IFSCA AS A REGISTERED FME (RETAIL) UNDER THE FM REGULATIONS BEARING REGISTRATION NUMBER FDM2025FMR0849.

THE INFORMATION IN THIS OFFER DOCUMENT FOR THE FUND IS NOT EXHAUSTIVE AND MAY BE CHANGED. THIS OFFER DOCUMENT IS NOT AN OFFER TO SUBSCRIBE TO THE UNITS AND DOES NOT SOLICIT AN OFFER TO SUBSCRIBE TO UNITS IN ANY JURISDICTION WHERE THE OFFER OR SALE IS NOT PERMITTED. AN OFFER OR SOLICITATION IN RESPECT OF THE UNITS IN THE FUND WILL BE MADE ONLY THROUGH THE APPLICATION FORM BASED ON THE FUND'S OFFER DOCUMENT AND MAY BE SUBJECT TO MATERIAL UPDATING, REVISION, CORRECTION, COMPLETION AND AMENDMENT. STATEMENTS CONTAINED HEREIN INCLUDE STATEMENTS OR CIRCUMSTANCES, WHICH MAY EXIST ON THE DAY UPON WHICH THIS OFFER DOCUMENT IS CIRCULATED BUT MAY NOT EXIST ON THE DATE ON WHICH THE FINAL FORM OF THE FUND'S OFFER DOCUMENT IS CIRCULATED.

THE INFORMATION IN THIS OFFER DOCUMENT IS CURRENT AS AT THE DATE OF THIS OFFER DOCUMENT, AND MAY BE SUPPLEMENTED, AMENDED OR MODIFIED FROM TIME TO TIME BY FURTHER INFORMATION IN A SUPPLEMENTAL INFORMATION OFFER DOCUMENT IN WHICH EVENT THE INFORMATION IN THIS OFFER DOCUMENT SHALL BE READ AS SUPPLEMENTED, AMENDED OR MODIFIED BY SUCH ADDITIONAL INFORMATION, AS THE CASE MAY BE.

NOTWITHSTANDING ANYTHING CONTAINED IN THE OFFER DOCUMENT, THE INVESTMENT MANAGER SHALL CONTINUE TO BE RESPONSIBLE FOR THE COMPLIANCE WITH THE FM REGULATIONS, IFSCA CIRCULARS, AND THE DIRECTIONS ISSUED BY IFSCA, FROM TIME TO TIME. THE INVESTMENT MANAGER HAS TAKEN ALL REASONABLE CARE TO ENSURE THAT THE INFORMATION IN THIS OFFER DOCUMENT IS TRUE AND ACCURATE IN ALL MATERIAL RESPECTS AND THAT THERE ARE NO MATERIAL FACTS, THE OMISSION OF WHICH WOULD MAKE ANY STATEMENT IN THIS OFFER DOCUMENT, WHETHER OF FACT OR OPINION, MISLEADING. NO OTHER REPRESENTATION, WARRANTY OR UNDERTAKING IS GIVEN IN RESPECT OF THE INFORMATION IN THIS OFFER DOCUMENT BY THE INVESTMENT MANAGER OR BY ANY OTHER PERSON AND NEITHER THE INVESTMENT MANAGER NOR ANY OTHER PERSON TAKES RESPONSIBILITY FOR THE CONSEQUENCES OF RELIANCE UPON ANY STATEMENT OR INFORMATION CONTAINED IN, OR ANY OMISSIONS FROM, THIS OFFER DOCUMENT.

PROSPECTIVE INVESTORS SHOULD REVIEW THE OFFER DOCUMENT CAREFULLY. NOTHING IN THIS OFFER DOCUMENT, THE INFORMATION CONTAINED IN IT OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE FUND (OTHER THAN THE FUND DOCUMENTS, THE TERMS SET OUT IN "**SECTION VI: PRINCIPAL TERMS OF THE FUND**" OF THIS OFFER DOCUMENT TO THE EXTENT INCORPORATED IN THE FUND DOCUMENTS BY REFERENCE, AND THE CONFIDENTIALITY UNDERSTANDING CONTAINED HEREIN) SHALL FORM THE BASIS OF ANY CONTRACT.

NO PERSON HAS BEEN AUTHORISED IN CONNECTION WITH THIS OFFERING TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATIONS OTHER THAN AS CONTAINED IN THIS OFFER DOCUMENT AND ANY SUPPLEMENT THERETO. THIS OFFER DOCUMENT MAY BE SUBJECT TO MATERIAL UPDATING, REVISION, CORRECTION, COMPLETION AND AMENDMENT. PLEASE DIRECT ANY ENQUIRIES IN CONNECTION WITH THE FUND TO THE INVESTMENT MANAGER. THE INFORMATION PROVIDED HEREIN HAS NOT BEEN APPROVED BY IFSCA OR ANY OTHER LEGAL OR REGULATORY AUTHORITY IN INDIA OR IFSC, NOR HAS ANY

SUCH REGULATORY AUTHORITY PASSED ANY JUDGEMENT OR ENDORSED THE ACCURACY OR ADEQUACY OF THIS OFFER DOCUMENT.

THE FUND PROPOSES TO INVEST IN INDIA UNDER THE FPI REGIME AND FOR THIS PURPOSE, THE FUND WILL REGISTER ITSELF WITH SEBI AS AN FPI UNDER THE FPI REGULATIONS.

INVESTMENTS MAY BE RECEIVED FROM NON-RESIDENT INDIANS OR PERSONS OF INDIAN ORIGIN, SUBJECT TO THE TERMS AND CONDITIONS SPECIFIED BY THE TRUSTEE AND/OR INVESTMENT MANAGER FROM TIME TO TIME. FURTHER, THE INVESTMENT MANAGER RESERVES THE RIGHT TO REJECT OR HOLD THE INVESTMENT PROPOSED TO BE MADE BY SUCH PERSONS OR REDEEM THE UNITS ALLOTTED TO SUCH PERSONS, AS THE CASE MAY BE, AS AND WHEN IDENTIFIED BY THE INVESTMENT MANAGER THAT SUCH INVESTMENT IS NOT IN COMPLIANCE WITH THE TERMS AND CONDITIONS NOTIFIED IN THIS REGARD. THE INVESTMENT MANAGER RESERVES THE RIGHT TO CHANGE OR MODIFY THE FOREGOING PROVISIONS AT ANY TIME.

UNLESS OTHERWISE DEFINED, CAPITALISED TERMS USED THROUGHOUT THIS OFFER DOCUMENT WILL HAVE THE MEANINGS ASCRIBED TO SUCH TERMS IN THE GLOSSARY IN "**SECTION XIV: GLOSSARY**" HERETO.

THIS OFFER DOCUMENT HAS BEEN PREPARED ON THE ASSUMPTION THAT THE LEGAL AND TAX STRUCTURE REQUIRED TO CONDUCT THE ACTIVITIES OF THE FUND HAVE BEEN FULLY IMPLEMENTED AND THAT ALL REQUISITE LEGAL, REGULATORY, TAX AND OTHER CLEARANCES HAVE BEEN OBTAINED BY AND THE FUND, INVESTMENT MANAGER, AND/OR THEIR AFFILIATES (AS RELEVANT). FURTHER, THE UNITS HAVE NOT BEEN RECOMMENDED BY IFSCA OR ANY REGULATORY AUTHORITY IN INDIA OR ANY OTHER JURISDICTION (IF APPLICABLE).

THIS OFFER DOCUMENT IS NOT INTENDED TO BE, AND MUST NOT BE TAKEN AS, THE SOLE BASIS FOR AN INVESTMENT DECISION. THE INFORMATION ON TAXATION AND LEGAL AND REGULATORY CONSIDERATIONS CONTAINED IN THIS OFFER DOCUMENT IS ONLY AN INDICATIVE SUMMARY AND IS NOT INTENDED TO BE A COMPLETE DISCUSSION OF ALL TAX, LEGAL AND REGULATORY CONSIDERATIONS. THE CONTENTS OF THIS OFFER DOCUMENT ARE NOT TO BE CONSTRUED AS INVESTMENT, LEGAL, OR TAX ADVICE. IN MAKING AN INVESTMENT DECISION, PROSPECTIVE INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE FUND DOCUMENTS AND THE TERMS OF THIS OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED IN MAKING AN INVESTMENT IN FUND, THE LEGALITY AND TAX CONSEQUENCES INCLUDING WITHIN THE COUNTRIES OF THEIR CITIZENSHIP, RESIDENCE, DOMICILE AND/OR PLACE OF BUSINESS WITH RESPECT TO THE ACQUISITION, HOLDING OR DISPOSAL OF THEIR INVESTMENTS IN THE FUND, AND ANY FOREIGN EXCHANGE RESTRICTIONS THAT MAY BE RELEVANT.

INVESTMENT IN THE UNITS INVOLVES CERTAIN SIGNIFICANT INVESTMENT RISKS, INCLUDING THE RISK OF LOSS OF CAPITAL. POTENTIAL INVESTORS SHOULD PAY PARTICULAR ATTENTION TO THE INFORMATION UNDER THE SECTIONS "**SECTION VIII: CONFLICTS OF INTEREST**" AND "**SECTION IX: RISK FACTORS**" OF THIS OFFER DOCUMENT. AN INVESTMENT IN THE FUND IS SUITABLE ONLY FOR INVESTORS WITH THE FINANCIAL ABILITY AND WILLINGNESS TO ACCEPT THE HIGH RISKS INHERENT IN AN INVESTMENT IN THE FUND OF THIS NATURE. NO ASSURANCE CAN BE GIVEN THAT THE FUND'S OBJECTIVE OR INVESTMENT STRATEGY WILL BE ACHIEVED.

EACH PROSPECTIVE INVESTOR IS INVITED TO MEET WITH REPRESENTATIVES OF THE INVESTMENT MANAGER TO DISCUSS WITH, ASK QUESTIONS TO AND RECEIVE ANSWERS FROM SUCH REPRESENTATIVES CONCERNING THE TERMS AND CONDITIONS OF THIS OFFERING, AND TO OBTAIN ANY ADDITIONAL

INFORMATION, TO THE EXTENT THAT SUCH REPRESENTATIVES POSSESS SUCH INFORMATION OR CAN ACQUIRE IT WITHOUT UNREASONABLE EFFORT OR EXPENSE. NEITHER THE FUND, NOR THE INVESTMENT MANAGER IS MAKING ANY REPRESENTATION OR WARRANTY TO ANY INVESTOR REGARDING THE LEGALITY OF AN INVESTMENT IN THE FUND BY SUCH INVESTOR OR ABOUT THE INCOME TAX AND OTHER TAX CONSEQUENCES TO IT OF SUCH AN INVESTMENT.

THIS OFFER DOCUMENT IS QUALIFIED IN ITS ENTIRETY BY THE FORMS OF THE FUND DOCUMENTS, AS APPLICABLE, PROVIDED ON REQUEST BY A PROSPECTIVE INVESTOR, AND ANY CONFLICT BETWEEN ANY STATEMENT MADE HEREIN AND ANY PROVISION OF THE FUND DOCUMENTS, AS APPLICABLE, WILL BE RESOLVED IN FAVOUR OF THE FUND DOCUMENTS. FURTHERMORE, NO AUTHORITY HAS CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS OFFER DOCUMENT.

INFORMATION AND DATA PROVIDED HEREIN INCLUDING ECONOMIC AND FINANCIAL MARKET INFORMATION AND CERTAIN FORWARD LOOKING STATEMENTS HAVE BEEN BASED ON: (I) INTERNAL RESEARCH OF THE INVESTMENT MANAGER; AND/OR (II) RESEARCH REPORTS AND OTHER DOCUMENTS PUBLISHED BY THIRD PARTIES; AND/OR (III) PUBLICLY AVAILABLE DATA. WHILE SUCH SOURCES ARE BELIEVED TO BE RELIABLE, NONE OF THE FUND, THE INVESTMENT MANAGER, AND THEIR RESPECTIVE AFFILIATES, OR ANY OTHER PERSON ASSUME ANY RESPONSIBILITY FOR THE ACCURACY OF SUCH INFORMATION. THE STATEMENTS IN THIS OFFER DOCUMENT WHICH CONTAIN TERMS SUCH AS "MAY", "WILL", "SHOULD", "EXPECT", "ANTICIPATE", "ESTIMATE", "INTEND", "CONTINUE" OR "BELIEVE", OR THE NEGATIVES THEREOF OR OTHER VARIATIONS THEREON OR COMPARABLE TERMINOLOGY ARE FORWARD-LOOKING STATEMENTS AND NOT HISTORICAL FACTS. CERTAIN INFORMATION CONTAINED HEREIN REPRESENTS OR IS BASED UPON SUCH FORWARD LOOKING STATEMENTS OR INFORMATION. THE FUND AND THE INVESTMENT MANAGER BELIEVE THAT SUCH STATEMENTS AND INFORMATION ARE BASED UPON REASONABLE ESTIMATES AND ASSUMPTIONS.

HOWEVER, FORWARD LOOKING STATEMENTS AND INFORMATION ARE INHERENTLY UNCERTAIN, AND FACTORS SUCH AS THOSE DESCRIBED IN "**SECTION VIII: CONFLICTS OF INTEREST**" AND "**SECTION IX: RISK FACTORS**" AND OTHER FACTORS MAY CAUSE ACTUAL EVENTS OR RESULTS TO DIFFER FROM THOSE PROJECTED. THEREFORE, UNDUE RELIANCE SHOULD NOT BE PLACED ON SUCH FORWARD-LOOKING STATEMENTS AND INFORMATION. NO REPRESENTATIONS ARE MADE AS TO THE ACCURACY OF SUCH STATEMENTS, ESTIMATES OR PROJECTIONS, AND THE FUND OR THE INVESTMENT MANAGER DO NOT HAVE ANY OBLIGATION TO UPDATE ANY SUCH INFORMATION. ALL TIME SENSITIVE REPRESENTATIONS AND REFERENCES CONTAINED IN THIS OFFER DOCUMENT ARE MADE AS OF THE DATE MENTIONED ON THE COVER PAGE TO THIS OFFER DOCUMENT, UNLESS OTHERWISE SPECIFIED IN THIS OFFER DOCUMENT. THE DELIVERY OF THIS OFFER DOCUMENT DOES NOT IMPLY THAT ANY OTHER INFORMATION HEREIN IS CORRECT AS OF ANY TIME OTHER THAN THE DATE MENTIONED ON THE COVER PAGE TO THIS OFFER DOCUMENT OR ELSEWHERE IN THIS OFFER DOCUMENT. THE INVESTMENT MANAGER RESERVES THE RIGHT TO WITHDRAW OR MODIFY ANY OF THE TERMS OF THE OFFERING AND THE UNITS DESCRIBED HEREIN AT ANY TIME IN ACCORDANCE WITH THE PROVISIONS OF THE FUND DOCUMENTS.

STATEMENTS OF LAW MADE IN THIS OFFER DOCUMENT ARE BASED ON THE LAWS IN FORCE AS OF MAY 2025 OR OTHERWISE SPECIFIED. HOWEVER, THESE LAWS ARE SUBJECT TO CHANGE.

THE UNITS ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE FUND DOCUMENTS. THERE WILL BE NO PUBLIC MARKET FOR THE UNITS, AND THERE IS NO OBLIGATION ON THE PART OF ANY PERSON TO REGISTER THE UNITS UNDER ANY SECURITIES LAWS.

PROSPECTIVE INVESTORS SHOULD STUDY THIS OFFER DOCUMENT CAREFULLY IN ITS ENTIRETY AND SHOULD NOT CONSTRUE THE CONTENTS THEREOF AS ADVICE RELATING TO LEGAL, TAXATION, FINANCIAL, INVESTMENT OR ANY OTHER MATTERS AND ARE ADVISED TO CONSULT THEIR LEGAL, TAX, FINANCIAL AND OTHER PROFESSIONAL ADVISORS TO DETERMINE POSSIBLE LEGAL, TAX, FINANCIAL OR OTHER CONSIDERATIONS OF SUBSCRIBING TO OR REDEEMING UNITS, BEFORE MAKING A DECISION TO INVEST/REDEEM/HOLD UNITS.

THE FUND RELATED DOCUMENTS I.E. THIS DOCUMENT OR THE UNITS OF THE FUND ARE NOT REGISTERED IN ANY JURISDICTION. THE DISTRIBUTION OF THE FUND RELATED DOCUMENT IN CERTAIN JURISDICTIONS MAY BE RESTRICTED OR SUBJECT TO REGISTRATION REQUIREMENTS AND, ACCORDINGLY, PERSONS WHO COME INTO POSSESSION OF THE FUND RELATED DOCUMENTS ARE REQUIRED TO INFORM THEMSELVES ABOUT, AND TO OBSERVE ANY SUCH RESTRICTIONS. NO PERSONS RECEIVING A COPY OF THIS FUND RELATED DOCUMENTS OR ANY ACCOMPANYING APPLICATION FORM IN SUCH JURISDICTION MAY TREAT THESE FUND RELATED DOCUMENTS OR SUCH APPLICATION FORM AS CONSTITUTING AN INVITATION TO THEM TO SUBSCRIBE FOR UNITS, NOR SHOULD THEY IN ANY EVENT USE ANY SUCH APPLICATION FORM, UNLESS IN THE RELEVANT JURISDICTION SUCH AN INVITATION COULD LAWFULLY BE MADE TO THEM AND SUCH APPLICATION FORM COULD LAWFULLY BE USED WITHOUT COMPLIANCE WITH ANY REGISTRATION OR OTHER LEGAL REQUIREMENTS. ACCORDINGLY, THE FUND RELATED DOCUMENTS DO NOT CONSTITUTE AN OFFER OR SOLICITATION BY ANYONE IN ANY JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION IS NOT LAWFUL OR IN WHICH THE PERSON MAKING SUCH OFFER OR SOLICITATION IS NOT QUALIFIED TO DO SO OR TO ANYONE TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION AS PER APPLICABLE LAW.

THE INVESTMENT MANAGER, TRUSTEE OR THE FUND HAVE NOT AUTHORIZED ANY PERSON TO ISSUE ANY ADVERTISEMENT OR TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS, EITHER ORAL OR WRITTEN, OTHER THAN THAT CONTAINED IN THIS FUND INFORMATION DOCUMENT OR THE STATEMENT OF ADDITIONAL INFORMATION OR AS IS PROVIDED BY THE INVESTMENT MANAGER IN CONNECTION WITH THIS OFFERING. PROSPECTIVE INVESTORS ARE ADVISED NOT TO RELY UPON ANY INFORMATION OR REPRESENTATION NOT INCORPORATED IN THE FUND INFORMATION DOCUMENT OR STATEMENT OF ADDITIONAL INFORMATION OR AS PROVIDED BY THE INVESTMENT MANAGER AS HAVING BEEN AUTHORIZED BY THE FUND, THE INVESTMENT MANAGER OR THE TRUSTEE.

THE TRUSTEE, INVESTMENT MANAGER, FUND, THE FIDUCIARIES SHALL NOT BE LIABLE FOR ANY OF THE TAX CONSEQUENCES THAT MAY ARISE, IN THE EVENT THAT THE FUND IS WOUND UP FOR SPECIFIED REASONS.

THE TAX BENEFITS DESCRIBED IN THIS DOCUMENTS ARE AS AVAILABLE UNDER THE PRESENT TAXATION LAWS AND ARE AVAILABLE SUBJECT TO RELEVANT CONDITIONS. THE INFORMATION GIVEN IS INCLUDED ONLY FOR GENERAL PURPOSE AND IS BASED ON ADVICE RECEIVED BY THE INVESTMENT MANAGER REGARDING THE LAW AND PRACTICE CURRENTLY IN FORCE IN INDIA AS ON THE DATE OF THIS OFFER DOCUMENT AND THE UNIT HOLDERS SHOULD BE AWARE THAT THE RELEVANT FISCAL RULES OR THEIR INTERPRETATION MAY CHANGE. AS IS THE CASE WITH ANY INVESTMENT, THERE CAN BE NO GUARANTEE THAT THE TAX POSITION OR THE PROPOSED TAX POSITION PREVAILING AT THE TIME OF AN INVESTMENT IN THE SCHEME WILL ENDURE INDEFINITELY. IN VIEW OF THE INDIVIDUAL NATURE OF TAX CONSEQUENCES, EACH UNIT HOLDER IS ADVISED TO CONSULT HIS / HER OWN PROFESSIONAL TAX ADVISOR.

INVESTORS MAY REQUEST ADDITIONAL INFORMATION IN RELATION TO THE FUND BY WRITING TO THE INVESTMENT MANAGER:

**Name of the Investment Manager:** Sundaram Asset Management Company Limited (IFSC Branch)

**Communication Address:** Shilp Incubation Centre, Office No.SI-M-025, Unit B, First Floor, Plot 11T 3 and 11T 5, Block 11, GIFT SEZ, GIFT City, Gandhinagar – 382355.

**E-mail:** [giftcompliance@sundarammutual.com](mailto:giftcompliance@sundarammutual.com)

**Declaration from the FME:**

It is confirmed that:

- (i) This Offer Document has been prepared in accordance with the FM Regulations and the guidelines and directives issued by IFSCA from time to time.
- (ii) All legal requirements connected with the launching the Fund as also the guidelines, instructions, etc., issued by IFSCA and any other competent authority in this behalf, have been duly complied with.
- (iii) The disclosures made in the Offer Document are true, fair and adequate to enable the investors to make a well informed decision regarding investment in the Fund.

For and on behalf of  
Sundaram Asset Management Company Limited (IFSC Branch)

---

Mr. Mahesh Menon  
Compliance Officer

## DIRECTORY

### Investment Manager

**Name:** Sundaram Asset Management Company Limited (IFSC Branch)

**Registered Address:** 21, Patullos Road, Chennai - 600 002

**Communication Address:** Shilp Incubation Centre, Office No.SI-M-025, Unit B, First Floor, Plot 11T 3 and 11T 5, Block 11, GIFT SEZ, GIFT City, Gandhinagar – 382355

**Tel:** +91 8925812575

**E-mail:** giftcompliance@sundarammutual.com

### Trustee

**Name:** Axis Trustee Services Limited

**Registered Address:** Axis House, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli Mumbai – 400025, Maharashtra, India

**Communication Address:** 533, 5th Floor, Hiranandani Signature,13-B-Zone-1, Gift SEZ, Gift City, Gandhinagar 382355, Gujarat, India

**Tel:** 079 6526 6302

**E-mail:** [aiftrustee@axistrustee.in](mailto:aiftrustee@axistrustee.in)

### Legal Advisor

**Name:** Khaitan & Co

**Registered Address:** One World Centre, Tower 1C, 10th floor, Senapati Bapat Marg, Lower Parel West, Mumbai - 400013, Maharashtra, India

### Tax Advisor

**Name:** Lakshmikumaran Sridharan attorneys

**Registered Address:** Door No. 27, Tank Bund Road  
Nungambakkam, Chennai 600034.  
[Opp. to Loyala College Compound & Near Upscale Clothing]

**Custodian**

**Name:** Kotak Mahindra Bank Limited

**Registered Address:** A wing, 5th floor Intellion Square Infinity IT Park, General Arun Kumar Vaidya Marg, Malad East, Mumbai, Maharashtra 400097

**TABLE OF CONTENTS**

|  |            |
|--|------------|
| <b>I. FUND INFORMATION.....</b>  | <b>12</b>  |
| <b>II. MARKET OPPORTUNITY .....</b>  | <b>18</b>  |
| <b>III. INVESTMENT OBJECTIVE, STRATEGY AND PROCESS .....</b>   | <b>19</b>  |
| <b>IV. FUND STRUCTURE.....</b>   | <b>21</b>  |
| <b>V. GOVERNANCE STRUCTURE.....</b>  | <b>23</b>  |
| <b>VI. PRINCIPAL TERMS OF THE FUND .....</b>   | <b>37</b>  |
| <b>VII. DETERMINATION OF THE NET ASSET VALUE OF THE UNITS .....</b>  | <b>67</b>  |
| <b>VIII. CONFLICTS OF INTEREST .....</b>   | <b>68</b>  |
| <b>IX. RISK FACTORS .....</b>  | <b>72</b>  |
| <b>X. LEGAL, REGULATORY AND TAX CONSIDERATIONS .....</b>   | <b>89</b>  |
| <b>XI. ILLUSTRATION OF FEES AND EXPENSES .....</b>   | <b>117</b> |
| <b>XII. DISCIPLINARY HISTORY .....</b>   | <b>119</b> |
| <b>XIII. GLOSSARY .....</b>  | <b>122</b> |
| <b>XIV. SUMMARY OF CUMULATIVE FEES AND EXPENSES .....</b>  | <b>130</b> |
| <b>ANNEXURE I: KEY TERMS OF THE UNDERLYING FUNDS.....</b>  | <b>131</b> |
| <b>ANNEXURE II: PERFORMANCE RECORD AND SHAREHOLDING OF SUNDARAM ASSET MANAGEMENT COMPANY LIMITED .....</b> | <b>132</b> |

## I. FUND INFORMATION

The principal terms of the offering are summarized below. The information in this section is subject to more detailed information provided in "**Section VI: Principal Terms of the Fund**" of this Offer Document. Contributors should read the entire Offer Document carefully before making an investment in the Units of the Fund.

| Sr. No. | Terms of Fund and Scheme (as may be applicable) | Particulars  |
|---------|---|--|
| 1.      | <b>Name of the Fund</b>                         | Sundaram India Mid Cap – GIFT (the " <b>Fund</b> ") is an open-ended Retail Scheme as per the FM Regulations.  |
| 2.      | <b>Investment Manager</b>                       | Sundaram Asset Management Company Limited – IFSC Branch, a branch office of the Sundaram Asset Management Company Limited, incorporated under the provisions of the Companies Act, 1956, having its registered office at 21, Patullos Road, Chennai - 600 002 and acting through its branch office at Shilp Incubation Centre, Office No.SI-M-025, Unit B, First Floor, Plot 11T 3 and 11T 5, Block 11, GIFT SEZ, GIFT City, Gandhinagar – 382355, will act as the Investment Manager of the Fund.   |
| 3.      | <b>Investment Objective and Strategy</b>        | <p>The investment objective of the Fund is to carry on the activity of an open-ended retail scheme as permissible under the Applicable Laws including FM Regulations, FPI Regulations, the SEZ Act and for this purpose to make, and dispose of investments with the view to achieve capital appreciation by investing in permissible securities/instruments in accordance with Applicable Laws and the Fund Documents.</p> <p>The Fund shall invest a substantial portion of its assets in the units of mutual funds in India under mid-cap category which are registered with SEBI under the SEBI (Mutual Fund) Regulations, 1996.</p> <p>The Fund does not guarantee / indicate any assured returns.</p> <p>The Underlying Funds shall invest in equity and equity-related securities across various sectors, either within specific market capitalizations or across the market spectrum in India, as per the terms of the scheme information document of the Underlying Funds. Please refer to the scheme information document of the Underlying Funds for more information on the investment objective and strategy of the Underlying Funds.</p> <p>The Investment Manager may, at its sole discretion, from time to time, add to and /or amend the underlying funds in the which the Fund shall invest.</p> |
|         | <b>Type of Scheme</b>                           | The Fund shall be an open-ended scheme and will be launched on the Launch Day.   |
| 4.      | <b>Term of the Scheme</b>                       | The Fund is an open-ended scheme and shall continue in operation till it is wound up by the Investment Manager at its discretion subject to FM Regulations.  |

| Sr. No.                       | Terms of Fund and Scheme (as may be applicable)   | Particulars  |             |             |                    |          |                               |          |                 |       |                 |   |                   |       |                        |       |                             |       |
|-------------------------------|---|--|-------------|-------------|--------------------|----------|-------------------------------|----------|-----------------|-------|-----------------|---|-------------------|-------|------------------------|-------|-----------------------------|-------|
| 5.                            | <b>Offer Price (per unit)</b>   | USD 10 (United States Dollar Ten)  |             |             |                    |          |                               |          |                 |       |                 |   |                   |       |                        |       |                             |       |
| 6.                            | <b>Plan Options</b>   | <p>The Fund offers two Plans:</p> <ol style="list-style-type: none"> <li>1. Regular Plan, and</li> <li>2. Direct Plan</li> </ol> <p>The Direct Plan is only for Contributors who purchase/subscribe Units of the Fund directly with the Fund and is not available for Contributors who route their investments through a Placement Agent.</p> <p>The Regular Plan is for Contributors who purchase/subscribe Units of the Fund through a Placement Agent.</p> <p>The following fees shall be applicable to Contributors who are onboarded via the Direct Plan:</p> <table border="1" data-bbox="536 1084 1385 1877"> <thead> <tr> <th data-bbox="536 1084 948 1128">Particulars</th> <th data-bbox="948 1084 1385 1128">Direct Plan</th> </tr> </thead> <tbody> <tr> <td data-bbox="536 1128 948 1173">Minimum Investment</td> <td data-bbox="948 1128 1385 1173">USD 5000</td> </tr> <tr> <td data-bbox="536 1173 948 1254">Minimum Additional Investment</td> <td data-bbox="948 1173 1385 1254">USD 1000</td> </tr> <tr> <td data-bbox="536 1254 948 1299">Management Fees</td> <td data-bbox="948 1254 1385 1299">0.20%</td> </tr> <tr> <td data-bbox="536 1299 948 1751">Redemption Fees</td> <td data-bbox="948 1299 1385 1751">                     2% (of the NAV of the Units being redeemed) if Units are redeemed within the 1<sup>st</sup> (first) year of the date of their allotment<br/><br/>                     1% (of the NAV of the Units being redeemed) if Units are redeemed within the 2<sup>nd</sup> (second) year of the date of allotment                 </td> </tr> <tr> <td data-bbox="536 1751 948 1796">Operating Expense</td> <td data-bbox="948 1751 1385 1796">0.25%</td> </tr> <tr> <td data-bbox="536 1796 948 1841">Underlying Fund Fees**</td> <td data-bbox="948 1796 1385 1841">0.90%</td> </tr> <tr> <td data-bbox="536 1841 948 1877">Overall Total Expense Ratio</td> <td data-bbox="948 1841 1385 1877">1.35%</td> </tr> </tbody> </table> <p>The following fees shall be applicable to Contributors who are onboarded via the Regular Plan:</p> | Particulars | Direct Plan | Minimum Investment | USD 5000 | Minimum Additional Investment | USD 1000 | Management Fees | 0.20% | Redemption Fees | 2% (of the NAV of the Units being redeemed) if Units are redeemed within the 1 <sup>st</sup> (first) year of the date of their allotment<br><br>1% (of the NAV of the Units being redeemed) if Units are redeemed within the 2 <sup>nd</sup> (second) year of the date of allotment | Operating Expense | 0.25% | Underlying Fund Fees** | 0.90% | Overall Total Expense Ratio | 1.35% |
| Particulars                   | Direct Plan   |  |             |             |                    |          |                               |          |                 |       |                 |   |                   |       |                        |       |                             |       |
| Minimum Investment            | USD 5000  |  |             |             |                    |          |                               |          |                 |       |                 |   |                   |       |                        |       |                             |       |
| Minimum Additional Investment | USD 1000  |  |             |             |                    |          |                               |          |                 |       |                 |   |                   |       |                        |       |                             |       |
| Management Fees               | 0.20%   |  |             |             |                    |          |                               |          |                 |       |                 |   |                   |       |                        |       |                             |       |
| Redemption Fees               | 2% (of the NAV of the Units being redeemed) if Units are redeemed within the 1 <sup>st</sup> (first) year of the date of their allotment<br><br>1% (of the NAV of the Units being redeemed) if Units are redeemed within the 2 <sup>nd</sup> (second) year of the date of allotment |  |             |             |                    |          |                               |          |                 |       |                 |   |                   |       |                        |       |                             |       |
| Operating Expense             | 0.25%   |  |             |             |                    |          |                               |          |                 |       |                 |   |                   |       |                        |       |                             |       |
| Underlying Fund Fees**        | 0.90%   |  |             |             |                    |          |                               |          |                 |       |                 |   |                   |       |                        |       |                             |       |
| Overall Total Expense Ratio   | 1.35%   |  |             |             |                    |          |                               |          |                 |       |                 |   |                   |       |                        |       |                             |       |

| Sr. No.                       | Terms of Fund and Scheme (as may be applicable)   | Particulars   |             |              |                    |          |                               |          |                 |       |                 |   |                   |       |                        |       |                             |       |   |
|-------------------------------|---|---|-------------|--------------|--------------------|----------|-------------------------------|----------|-----------------|-------|-----------------|---|-------------------|-------|------------------------|-------|-----------------------------|-------|---|
|                               |   | <table border="1"> <thead> <tr> <th data-bbox="523 327 946 376">Particulars</th> <th data-bbox="946 327 1388 376">Regular Plan</th> </tr> </thead> <tbody> <tr> <td data-bbox="523 376 946 416">Minimum Investment</td> <td data-bbox="946 376 1388 416">USD 5000</td> </tr> <tr> <td data-bbox="523 416 946 501">Minimum Additional Investment</td> <td data-bbox="946 416 1388 501">USD 1000</td> </tr> <tr> <td data-bbox="523 501 946 542">Management Fees</td> <td data-bbox="946 501 1388 542">1.50%</td> </tr> <tr> <td data-bbox="523 542 946 994">Redemption Fees</td> <td data-bbox="946 542 1388 994">                     2% (of the NAV of the Units being redeemed) if Units are redeemed within the 1<sup>st</sup> (first) year of the date of their allotment<br/><br/>                     1% (of the NAV of the Units being redeemed) if Units are redeemed within the 2<sup>nd</sup> (second) year of the date of allotment                 </td> </tr> <tr> <td data-bbox="523 994 946 1034">Operating Expense</td> <td data-bbox="946 994 1388 1034">0.25%</td> </tr> <tr> <td data-bbox="523 1034 946 1075">Underlying Fund Fees**</td> <td data-bbox="946 1034 1388 1075">0.90%</td> </tr> <tr> <td data-bbox="523 1075 946 1120">Overall Total Expense Ratio</td> <td data-bbox="946 1075 1388 1120">2.65%</td> </tr> </tbody> </table> | Particulars | Regular Plan | Minimum Investment | USD 5000 | Minimum Additional Investment | USD 1000 | Management Fees | 1.50% | Redemption Fees | 2% (of the NAV of the Units being redeemed) if Units are redeemed within the 1 <sup>st</sup> (first) year of the date of their allotment<br><br>1% (of the NAV of the Units being redeemed) if Units are redeemed within the 2 <sup>nd</sup> (second) year of the date of allotment | Operating Expense | 0.25% | Underlying Fund Fees** | 0.90% | Overall Total Expense Ratio | 2.65% | <p><i>**Any change to the fee structure of the Underlying Fund(s) will lead to a proportionate change in the Underlying Fund Fee mentioned above</i></p> <p>Please also refer to “<b>SECTION XIV: SUMMARY OF CUMULATIVE FEES AND EXPENSES</b>”.</p> |
| Particulars                   | Regular Plan  |   |             |              |                    |          |                               |          |                 |       |                 |   |                   |       |                        |       |                             |       |   |
| Minimum Investment            | USD 5000  |   |             |              |                    |          |                               |          |                 |       |                 |   |                   |       |                        |       |                             |       |   |
| Minimum Additional Investment | USD 1000  |   |             |              |                    |          |                               |          |                 |       |                 |   |                   |       |                        |       |                             |       |   |
| Management Fees               | 1.50%   |   |             |              |                    |          |                               |          |                 |       |                 |   |                   |       |                        |       |                             |       |   |
| Redemption Fees               | 2% (of the NAV of the Units being redeemed) if Units are redeemed within the 1 <sup>st</sup> (first) year of the date of their allotment<br><br>1% (of the NAV of the Units being redeemed) if Units are redeemed within the 2 <sup>nd</sup> (second) year of the date of allotment |   |             |              |                    |          |                               |          |                 |       |                 |   |                   |       |                        |       |                             |       |   |
| Operating Expense             | 0.25%   |   |             |              |                    |          |                               |          |                 |       |                 |   |                   |       |                        |       |                             |       |   |
| Underlying Fund Fees**        | 0.90%   |   |             |              |                    |          |                               |          |                 |       |                 |   |                   |       |                        |       |                             |       |   |
| Overall Total Expense Ratio   | 2.65%   |   |             |              |                    |          |                               |          |                 |       |                 |   |                   |       |                        |       |                             |       |   |
| 7.                            | <b>Frequency of NAV Disclosure</b>  | <p>The Investment Manager will calculate and disclose the first NAV within a period of 30 (thirty) Business Days from the date of closure of the NFO Period. Subsequently, the Investment Manager will calculate and disclose the NAVs on all Business Days.</p> <p>The NAVs shall be disclosed under a separate head on its website <a href="http://www.sundarammutual.com">www.sundarammutual.com</a> on every Business Day.</p>  |             |              |                    |          |                               |          |                 |       |                 |   |                   |       |                        |       |                             |       |   |
| 8.                            | <b>Initial Offer Period and NFO Period</b>  | <p>The initial offer for the subscription of Units of Fund shall commence from the Launch Day and expire within 12 (twelve) months from the Launch Day or such other higher period prescribed under FM Regulations, provided that the Fund has received aggregate Capital Contributions of at least USD 3,000,000 (United States Dollar Three Million), or any other minimum Capital Contribution as may be prescribed as per FM Regulations, or such higher amounts as may be</p>  |             |              |                    |          |                               |          |                 |       |                 |   |                   |       |                        |       |                             |       |   |

| Sr. No. | Terms of Fund and Scheme (as may be applicable) | Particulars  |
|---------|---|--|
|         |   | <p>otherwise determined by the Investment Manager at its discretion (“<b>Initial Offering Period</b>”).</p> <p>Provided that the Fund may commence its investment activities upon receipt of aggregate Capital Contributions of at least USD 1,000,000 (United States Dollar one million) subject to receipt of aggregate Capital Contributions of at least USD 3,000,000 (United States Dollar three million) or any other minimum Capital Contribution as may be prescribed as per FM Regulations, within 12 (twelve) months from the Launch Day or such other higher period prescribed under FM Regulations from time to time (“<b>NFO Period</b>”).</p> <p>Subject to the Applicable Law, if the Investment Manager fails to achieve at least USD 3,000,000 (United States Dollar three million) or any other minimum Capital Contribution as may be prescribed as per FM Regulations within within 12 (twelve) months from the Launch Day or such other higher period prescribed under FM Regulations from time to time, the Investment Manager shall have a one-time option to extend the validity of this Offer Document for a further period of 6 (six) months by paying 50% (fifty percent) of the fee as applicable for filing of a fresh scheme.</p> <p>The Investment Manager may give a prior intimation of not less than 7 (seven) Business Days in order to compulsorily exit all the Units in issue, if at any time the Fund’s corpus shall for 3 (three) consecutive months be less than USD 3,000,000 (United States Dollar three million) and the Investment Manager fails to bring back the corpus to USD 3,000,000 (United States Dollar three million).</p> <p>Admission of Contributors and acceptance of Capital Contributions shall be at the sole discretion of the Investment Manager subject to submission of the Application Form and the requisite documentation including KYC documents and other supporting documents to the Official Point of Acceptance (“<b>OPA</b>”) of the Fund to the satisfaction of the Investment Manager, and the Investment Manager may reject any requests in this regard, including for reasons of compliance with Applicable Law.</p> <p>After the Initial Offering Period, the Investment Manager may allow admission of new investors into the Fund by accepting Capital Contributions from new investors or from existing Contributors on any Dealing Day in accordance with <b>Clause 9 of “Section VI: Principal Terms of the Fund”</b>.</p> <p>The Investment Manager, in its sole discretion, shall be permitted to invest the Capital Contributions in Temporary Investments, as per FM Regulations.</p> |
| 9.      | <b>Subscription/<br/>Offering Price</b>         | After the Initial Offering Period, the Investment Manager may allow admission of new Contributors into the Fund by accepting Capital   |

| Sr. No. | Terms of Fund and Scheme (as may be applicable) | Particulars  |
|---------|---|--|
|         |   | <p>Contributions from such new Contributors on any Dealing Day. The Investment Manager may also permit existing Contributors to increase their Capital Contributions on any Dealing Day. It is clarified that the admission of new Contributors and acceptance of Capital Contributions (including increases thereto), is at the sole discretion of the Investment Manager subject to submission of the Application Form and the requisite documentation including KYC documents and other supporting documents to the OPA of the Fund to the satisfaction of the Investment Manager, and the Investment Manager may reject any requests in this regard, including for reasons of compliance with Applicable Law.</p> <p>Units will not be allotted unless the Investment Manager is satisfied that cleared funds and the requisite documentation have been received on or before the date of allotment of Units or such other date as may be decided by the Investment Manager in its sole discretion.</p> <p>During the NFO Period, the Contributors shall be issued such number of Units as is determined by dividing its Capital Contribution by the face value per Unit. After the NFO Period, the Contributors shall be issued such number of Units as is determined by dividing its Capital Contribution by the prevailing NAV as on Dealing Day (“Offering Price”).</p> <p>The Contributor may make Capital Contributions and receive distributions from the Fund through electronic payment. It will be the responsibility of the Contributor to ensure the correctness of all details to be provided to the Fund to enable payment through electronic mode including SWIFT code and correspondent bank details of recipient bank branch and bank account number of the Beneficiary and that the Fund, the Trustee and the Investment Manager assume no liability on account of these details being incorrect, insufficient or false. The Trustee and the Investment Manager shall not be liable for delay/non-payments to or from the Contributor on account of: (i) incorrect, insufficient or false details provided by the Contributor; (ii) dislocation of work due to the circumstances beyond the control of remitting/destination banks like non-functioning of computer system, disruption of work due to natural calamities, strike, riot etc. or network or internet problem or other causes beyond the control of the branch/bank resulting in disruption of communication. Delay in remittance on account of such events can be rectified only when disruption is set right; (iii) recipient bank/branch does not credit the beneficiary’s account for any reason whatsoever. If it is a holiday at the centre where the recipient branch is situated or remittee branch is not open, then the credit will be passed on to the remittee/beneficiary on next local working day.</p> |
| 10.     | <b>Redemption</b>                               | <p><b>Redemption by Contributors on Dealing Day:</b></p> <p>Any Contributor shall have a right to fully or partially exit on a Dealing Day with a minimum redemption request for USD 500 (United States</p>  |

| Sr. No.                                     | Terms of Fund and Scheme (as may be applicable)   | Particulars  |                 |                       |             |   |  |        |   |   |   |  |         |   |   |
|---|---|--|-----------------|-----------------------|-------------|---|--|--------|---|---|---|--|---------|---|---|
|   |   | <p>Dollar Five Hundred), provided that such partial exit shall not result in its Capital Contribution falling below the minimum capital requirements in accordance with the Fund Documents and Applicable Law at any point in time.</p> <p>Such exit shall be at the prevailing NAV (net of Taxes including Taxes on unrealised gains) less Redemption Fees, if any, on any Dealing Day as per the Fund Documents for which such valid redemption request is received.</p> <p><b>“Redemption Fees”</b> means the early termination charge levied on the net asset value of units on relevant Units of the Fund in connection with the redemption of units as follows:</p> <table border="1" data-bbox="536 772 1385 1438"> <thead> <tr> <th data-bbox="536 772 802 875">Redemption Fees</th> <th data-bbox="802 772 1246 875">Redemption Fee Period</th> <th data-bbox="1246 772 1385 875">Share Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="536 875 802 1019">2% (of the NAV of the Units being redeemed)</td> <td data-bbox="802 875 1246 1019">if Units are redeemed within the 1<sup>st</sup> (first) year of the date of their allotment</td> <td data-bbox="1246 875 1385 1158" rowspan="2">Direct</td> </tr> <tr> <td data-bbox="536 1019 802 1158">1% (of the NAV of the Units being redeemed)</td> <td data-bbox="802 1019 1246 1158">if Units are redeemed within the 2<sup>nd</sup> (second) year of the date of allotment</td> </tr> <tr> <td data-bbox="536 1158 802 1301">2% (of the NAV of the Units being redeemed)</td> <td data-bbox="802 1158 1246 1301">if Units are redeemed within the 1<sup>st</sup> (first) year of the date of their allotment</td> <td data-bbox="1246 1158 1385 1438" rowspan="2">Regular</td> </tr> <tr> <td data-bbox="536 1301 802 1438">1% (of the NAV of the Units being redeemed)</td> <td data-bbox="802 1301 1246 1438">if Units are redeemed within the 2<sup>nd</sup> (second) year of the date of their allotment</td> </tr> </tbody> </table> <p>Please also refer to <b>Clause 14</b> of <b>“SECTION VI: Principal Terms of the Fund”</b> for further details.</p> | Redemption Fees | Redemption Fee Period | Share Class | 2% (of the NAV of the Units being redeemed) | if Units are redeemed within the 1 <sup>st</sup> (first) year of the date of their allotment | Direct | 1% (of the NAV of the Units being redeemed) | if Units are redeemed within the 2 <sup>nd</sup> (second) year of the date of allotment | 2% (of the NAV of the Units being redeemed) | if Units are redeemed within the 1 <sup>st</sup> (first) year of the date of their allotment | Regular | 1% (of the NAV of the Units being redeemed) | if Units are redeemed within the 2 <sup>nd</sup> (second) year of the date of their allotment |
| Redemption Fees                             | Redemption Fee Period   | Share Class  |                 |                       |             |   |  |        |   |   |   |  |         |   |   |
| 2% (of the NAV of the Units being redeemed) | if Units are redeemed within the 1 <sup>st</sup> (first) year of the date of their allotment  | Direct   |                 |                       |             |   |  |        |   |   |   |  |         |   |   |
| 1% (of the NAV of the Units being redeemed) | if Units are redeemed within the 2 <sup>nd</sup> (second) year of the date of allotment       |  |                 |                       |             |   |  |        |   |   |   |  |         |   |   |
| 2% (of the NAV of the Units being redeemed) | if Units are redeemed within the 1 <sup>st</sup> (first) year of the date of their allotment  | Regular  |                 |                       |             |   |  |        |   |   |   |  |         |   |   |
| 1% (of the NAV of the Units being redeemed) | if Units are redeemed within the 2 <sup>nd</sup> (second) year of the date of their allotment |  |                 |                       |             |   |  |        |   |   |   |  |         |   |   |
| 11.   | <b>Leverage Strategy</b>  | <p>The Investment Manager may cause the Fund to borrow money from, or to enter into transactions with, any person, to the extent appropriate, to meet temporary liquidity needs for the purpose of redemption and as may be permitted under the FM Regulations, Provided that the Fund shall not borrow more than 20% (twenty per cent) of the AUM of the Fund and the duration of such a borrowing shall not exceed six (6) months.</p>   |                 |                       |             |   |  |        |   |   |   |  |         |   |   |

## II. MARKET OPPORTUNITY

THE INFORMATION PRESENTED HEREIN IS DERIVED FROM PUBLICLY AVAILABLE SOURCES, INCLUDING BUT NOT LIMITED TO BLOOMBERG, THE DEUTSCHE WEALTH REPORT, EY INDIA REPORTS, PUBLICATIONS BY NITI AAYOG, THE WORLD BANK, MCKINSEY & COMPANY, INVEST INDIA, AS WELL AS INTERNAL ANALYSES CONDUCTED BY THE INVESTMENT MANAGER. THIS MATERIAL IS INTENDED SOLELY TO PROVIDE A HIGH-LEVEL OVERVIEW OF PREVAILING MARKET OPPORTUNITIES IN THE CURRENT ECONOMIC CONTEXT. IT DOES NOT CONSTITUTE INVESTMENT ADVICE, NOR DOES IT GUARANTEE THE ACCURACY OR COMPLETENESS OF THE INFORMATION PROVIDED. ALL CONTRIBUTORS AND PROSPECTIVE CONTRIBUTORS ARE STRONGLY ENCOURAGED TO EXERCISE INDEPENDENT JUDGMENT AND DUE DILIGENCE WHEN EVALUATING MARKET OPPORTUNITIES.

### **Market outlook:**

- Global Economy: Global markets continue to trade near lifetime highs despite uncertain policy directions and geopolitical uncertainty. The key reason has been earnings globally has been good, and it has supported equity markets.
- India earnings continue to trend around higher single digit and lower double digit. There have been no significant negative surprises with neutral estimates from consensus.
- Tarriff hike has limited impact from equity earnings perspective barring specific company or small sector specific impact like textiles, chemicals, company specific auto ancillary sector
- Last one year have seen flat returns in market, in sync with what we have been saying of valuations been above mean and therefore opportunities are more stock specific. Valuation have corrected because of earnings growth over the last one year. But at broader level they continue to trade above mean. This is due to healthy balance sheet and cash flows with corporates.
- We continue to believe from a medium to long term there are opportunities to invest in equities markets with more bias towards bottom-up investing.

### **Market opportunity:**

India's structural growth story remains intact, with emerging opportunities increasingly concentrated in the Mid Cap and Small Cap segments. While Indian equities have historically traded at premium valuations, this has been justified by robust earnings growth—especially post-COVID. Currently, the market is undergoing an earnings normalization phase, which presents a fertile ground for selective investing. Key macro tailwinds include:

- Demographic dividend supporting long-term consumption
- Lower interest rates improving affordability and credit access
- Supportive government policies fostering private sector expansion
- Country's rating upgrade, enhancing investor confidence

These factors collectively reinforce the case for Mid Cap investing, where companies are often at the cusp of scaling, innovation, and market share expansion.

### III. INVESTMENT OBJECTIVE, STRATEGY AND PROCESS

| Key Terms                       | Particulars   |
|---------------------------------|---|
| <b>Investment Objective</b>     | <p>The investment objective of the Fund is to carry on the activity of an open-ended retail scheme as permissible under the Applicable Laws including FM Regulations, FPI Regulations, the SEZ Act and for this purpose to make, and dispose of investments with the view to achieve capital appreciation by investing in permissible securities/instruments in accordance with Applicable Laws and the Fund Documents.</p> <p>The Fund shall invest a substantial portion of its assets in the units of mutual funds in India under mid-cap category ("<b>Underlying Funds</b>"), which are registered with SEBI under the SEBI (Mutual Fund) Regulations, 1996 ("<b>MF Regulations</b>").</p> <p>The Fund does not guarantee / indicate any assured returns.</p> <p>The Underlying Funds shall invest in equity and equity-related securities across various sectors, either within specific market capitalizations or across the market spectrum in India, as per the terms of the scheme information document of the Underlying Funds. Please refer to the scheme information document of the Underlying Funds for more information on the investment objective and strategy of the Underlying Funds.</p> <p>The Investment Manager may, at its sole discretion, from time to time, add to and /or amend the underlying funds in the which the Fund shall invest.</p> |
| <b>Category of Registration</b> | Open-ended Retail Scheme.   |

#### FURTHER DETAILS WITH RESPECT TO THE INVESTMENT STRATEGY:

| Parameters  | Particulars  |
|---|--|
| <b>Investment in type of securities</b>   | <p>Up to 100% of the Capital Contribution shall be invested in the units of the Underlying Fund.</p> <p>The Fund may also invest un-invested portion of the Capital Contributions in Temporary Investments, in accordance with FM Regulations or Applicable Law.</p>   |
| <b>Leverage strategy of the Fund</b>  | <p>The Investment Manager may cause the Fund to borrow money from, or to enter into transactions with, any person, to the extent appropriate, to meet temporary liquidity needs for the purpose of redemption and as may be permitted under the FM Regulations, Provided that the Fund shall not borrow more than 20% (twenty per cent) of the AUM of the Fund and the duration of such a borrowing shall not exceed six (6) months.</p> |
| <b>Any variation to any of the above-stated parameters/strategy /allocation</b> | <p>Any material changes to the investment strategy of the Fund shall be made with the consent from two-thirds of Contributors by value of their investment in the FM Regulations and Applicable Laws.</p>  |

## Aspects Of Investment Strategy

### Investment Strategy

The primary investment objective of the Fund is to seek to provide long term capital growth by investing predominantly in the units of Underlying Fund. The Fund shall invest a substantial portion of its assets in the units of the Underlying Funds. The Fund does not guarantee / indicate any assured returns.

### Investment Restrictions

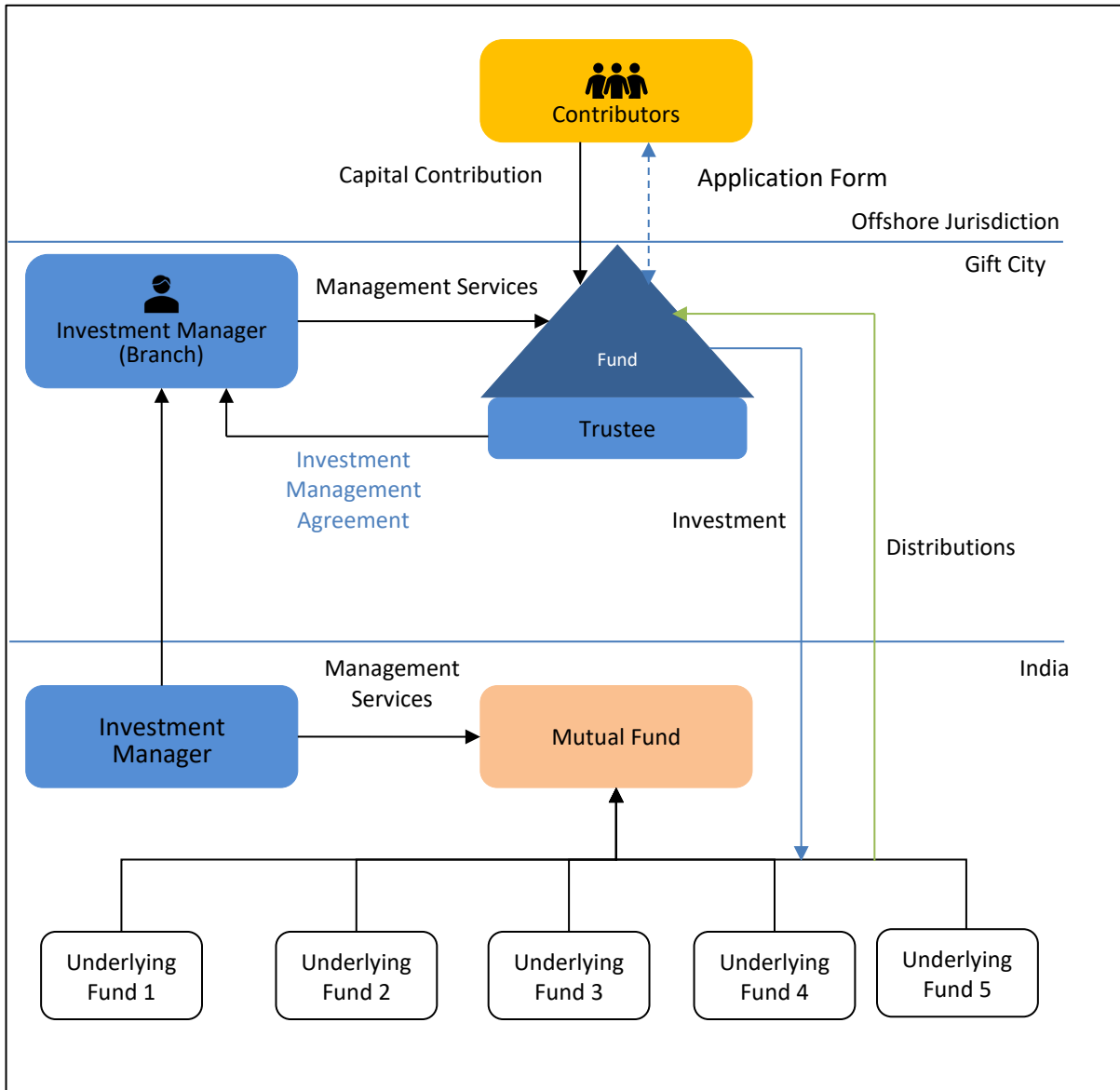
The Fund shall make investments in the Underlying Funds, subject to the restrictions under FM Regulations and FPI Regulations, the investment thresholds applicable under the SEBI Master Circular for Mutual Funds, and as specified under Regulation 47 of the FM Regulations, as applicable, are summarised as follows:

1. The Fund shall not invest more than 10% (ten per cent) of its AUM in securities of a single company, provided that in a fund of funds scheme, such as the Fund, such scheme shall be permitted to invest in other scheme(s) if such scheme(s) meets the requirement under the FM Regulations. Currently, all the Underlying Funds meet the requirements.
2. The Fund shall not invest more than 25% (twenty-five per cent) of its AUM in a single sector, provided that in case of a fund of funds scheme, such as the Fund, the limit on sectoral cap shall not be applicable if such scheme is investing in other scheme(s) which does not have investment in a single sector in excess of 25% (twenty-five percent) of their AUM, or 50% of their AUM in case of financial services sector or when such scheme(s) are sectoral or thematic or index scheme(s).
3. The minimum size of the Fund shall be USD 3,000,000 (United States Dollars Three Million), provided that the Fund may commence its investment activities upon receiving at least USD 1,000,000 (United States Dollars One Million) from investors and it shall receive at least USD 3,000,000 (United States Dollars Three Million) from investors within 12 months from the Launch Day. Provided further that if the Investment Manager fails to achieve the minimum investment within the specified time, it shall have a one-time option to extend the validity of the offer document for a further period of 6 months by paying 50% (fifty per cent) of the fee as applicable for filing of a fresh scheme.
4. A retail scheme is not permitted to invest more that 25% of its AUM in its 'Associate' provided that this restriction is not applicable to fund of fund scheme, such as the Fund.

### Investment Process

The Fund will primarily invest in the units of Sundaram Midcap Fund. The Investment Manager may invest, in its sole discretion, in other category of schemes under overnight fund, arbitrage fund and Liquid fund issued by Sundaram Mutual Fund.

**IV. FUND STRUCTURE**



**Important Notices:** This organizational diagram is a simplified illustration of the Fund’s proposed legal structure as of the date hereof and describes in general the manner in which the Fund intends to hold the Portfolio Investments. This organizational diagram is only a generalization and does not show all the various entities that may comprise the Fund. The Fund reserves the right to (a) form additional entities in any jurisdiction from time to time; and (b) change the manner in which it acquires and holds interest in Portfolio Investments, including by forming or eliminating intermediary entities.

**THE FUND**

The Fund is settled as an irrevocable contributory determinate trust under the Indian Trusts Act, 1882 by Axis Trustee Services Limited. The Units of the Fund will be offered to persons resident outside India subject to Applicable Laws and suitable approval (if required) having been obtained.

The Fund is a scheme launched by the Investment Manager. Subject to Applicable Laws, the Fund expects to invest primarily all of its assets in the Underlying Funds. The Fund is an open-ended fund.

#### THE TRUSTEE

Axis Trustee Services Limited, a company incorporated under the provisions of the Companies Act, 1956, shall act as the trustee of the Fund, as per the terms of the Indenture (“**Trustee**”).

#### THE INVESTMENT MANAGER

The Trustee has delegated management functions in respect of the Fund to Sundaram Asset Management Company Limited (IFSC Branch), a branch office of Sundaram Asset Management Company Limited, incorporated in India under the Companies Act, 1956, as the investment manager of the Fund (“**Investment Manager**” or “**Sundaram AMC**”). For the purposes of the foregoing, the Trustee, on behalf of the Fund, has entered into the Investment Management Agreement with the Investment Manager.

The Investment Manager is newly set-up branch and has no performance record. Please refer to **Annexure II: Performance Record and Shareholding of Sundaram Asset Management Company Limited** for further information on the performance and shareholding of the Sundaram Asset Management Company Limited.

#### List of responsibilities assigned to the Investment Manager under the Investment Management Agreement:

The Investment Manager will manage the assets of the Fund under the terms of the Investment Management Agreement. The Fund will be managed by the Investment Manager pursuant to the terms of the Investment Management Agreement. The Investment Manager will make investment and divestment decisions on behalf of the Fund. The complete list of the responsibilities assigned to the Investment Manager, in relation to the Fund, under the Investment Management Agreement it shall be made available to Contributors on an express request-basis.

#### List of responsibilities of the Investment Manager delegated to another person under any arrangement, along with details of the said person:

For administrative and operational convenience, the Investment Manager may, from time to time, delegate to any committee or any other Person, any powers and duties including aspects in relation to the management of the Capital Contributions vested in it under the Deed. Such delegation of powers and duties shall be recorded in writing either by way of an agreement or otherwise, detailing such committee or Person’s powers, responsibilities, and duties.

Such written agreement shall also contain the Investment Manager’s power to ensure the due performance by such committee or Person and that committee or person’s liability for non-performance, misfeasance, failure, gross negligence, fraud and other material breaches and accountability and indemnification in favour of the Trust.

## V. GOVERNANCE STRUCTURE

### A. THE TRUSTEE

The Trustee has all powers in respect of the property of the Trust including power to manage the Fund and its corpus. These powers have been delegated to the Investment Manager, as per the terms of the Investment Management Agreement.

The Trustee's services are aimed at catering to the individual needs of the client and enhancing client satisfaction. As Trustee, it ensures compliance with all statutory requirements and believes in the highest ethical standards and best practices in corporate governance. It aims to provide the best services in the industry with its well trained and professionally qualified staff with a sound legal acumen. The Trustee is involved in varied facets of debenture and bond trusteeships, including, advisory functions and management functions. The Trustee also acts as a security trustee and is involved in providing services in relation to security creation, compliance and holding security on behalf of lenders.

The Trustee is also involved in providing services as (i) a facility agent for complex structured transactions; (ii) an escrow agent; (iii) a trustee to alternative investment funds; (iv) custodian of documents as a safekeeper; (v) a trustee to real estate investment funds.

#### **Other business activities conducted by the Trustee are as follows:**

1. Registered with the IFSCA as a debenture trustee under the IFSCA (Capital Market Intermediaries) Regulations, 2021 bearing registration number DT/2022-23/0003;
2. Authorized by IFSCA as an ancillary services provider bearing authorization number IFSCA/2020-21/AS/00010/0002; and
3. Registered with the SEBI as a debenture trustee under the SEBI (Debenture Trustees) Regulations, 1993 bearing registration number IND000000494. Further, the Trustee is registered with the Ministry of Micro, Small & Medium Enterprises regulated by Government of India, and has been issued a UDYAM Aadhaar registration certificate dated March 02, 2023, with the UDYAM Aadhaar Number –MH-19-0046029.

Brief profile of Directors of Trustee currently comprises the individuals as mentioned below:

#### **Mr. Prashant Joshi**

Mr. Prashant Joshi is a Director (Non-Executive) on the Board of the Axis Trustee Services Limited. Prashant Joshi is the Group Executive & Chief Credit Officer of the Bank since May 1, 2022. As the Chief Credit Officer, he is responsible for all underwriting functions across the Retail and Corporate segments.

Prashant has nearly three decades of experience in financial services, primarily in project finance appraisals and credit functions. He has been with Axis Bank since September 2006 in roles related to Credit/ Underwriting and Risk across various segments.

In his previous stint, he was with the Industrial Development Bank of India in the project finance department for nearly 13 years, with in-depth experience of working on proposals across sectors. He started his career in a private firm as a Project Engineer.

Prashant is a Civil Engineer from Sardar Patel College of Engineering, Mumbai University.

**Mr. Arun Mehta**

Mr. Arun Mehta is a Director (Non-Executive Independent) on the Board of the Axis Trustee Services Limited.

Mr. Mehta is a Postgraduate in Economics and is a certified member of the Indian Institute of Bankers. He has over 38 years of experience, which includes Corporate Banking (Mid corporates as well as Large Corporates), International banking, ECBs and Loan syndication (heading the Merchant Banking Division), Investment Banking as well as Retail Banking. He has also had considerable International Exposure, having worked overseas in Hong Kong handling Loan Syndications and Investments.

He has earlier held the position of MD & CEO of SBI Capital Markets, the Merchant Banking Arm of SBI. He was also the Non-Executive Chairman of SBICap Securities (Retail Broking arm), SBICap ventures Ltd and SBICap trustee Company Ltd. He was a Non-Executive Director in Investec Capital services India Pvt Ltd.

Some of the other senior level assignments include Chief General Manager, Financial Control (ALM, Budgeting and Performance monitoring, Raising Equity and AT1 & Tier II debt).

He has also chaired the Mid Corporates Credit Committee for Gujarat Diu and daman.

**Mr. Parmod Kumar Nagpal**

Mr. Parmod Kumar Nagpal is a Director (Non-Executive Independent) on the Board of the Axis Trustee Services Limited.

Mr. Parmod Kumar Nagpal is a seasoned professional having more than 40 years of work experience. In 1989 Mr. Nagpal Joined SEBI as Manager worked with SEBI for about 30.5 years. Before retirement in December 2019 Mr. Nagpal was Executive Director of SEBI for almost 13 years. Mr. Nagpal has versatile experience of working in all operational Departments of SEBI – Corporate Finance, Market Regulation, Mutual Funds, Venture Capital Funds, Market Intermediaries Supervision, Investigation and Foreign Portfolio Investors.

He was also involved in policy formulation and implementation of Regulations, registration and supervision of market intermediaries, inspection of stock exchanges and market intermediaries, investigation of market manipulation and insider trading, Takeovers, IPOs, compliance of listing requirements by the companies, corporate governance, etc. Many of the notifications of regulations and guidelines were done under his supervision including Listing Regulations and Foreign Portfolio Investors Regulations.

Mr. Nagpal was Chief Vigilance Officer of SEBI and in-charge of Internal Inspections Department, HRD, Finance and Audit, Establishment, Premises and Internal Security and acted as Disciplinary Authority for internal matters.

While working with SEBI, he was assigned additional responsibilities of Director of its training institute - National Institute of Securities Markets (NISM) and CEO of Central Listing Authority. Was nominated on the boards of 3 stock exchanges and NISM.

Mr. Nagpal acted as Enquiry and Adjudicating Authority for deciding quasi-judicial matters of market participants based on evaluation of facts and evidence. Conducted enquiries under High Court Orders in the functioning of stock exchanges and default by stockbrokers.

Mr. Nagpal was a member of various Committees of SEBI, other financial sector regulators, Government and international bodies pertaining to disclosures, enactment of the Companies Act 2013, corporate governance, KYC, anti-money laundering, insolvency code, etc. Chaired the standing committee of financial sector regulators (SEBI, RBI, IRDA and PFRDA) on credit ratings and was Chair of Committees of International Organization of Securities Commissions (IOSCO) on Issuer Accounting, Audit and Disclosures, comprising of 33 countries. Also worked on climate related disclosures and sustainability.

Mr. Nagpal led a report on money laundering in securities markets in Eurasian Countries under international organization FATF (Financial Action Task Force) and was a speaker at various national and international forums on securities markets.

Prior to SEBI Mr. Nagpal worked in senior positions with (i) Delhi Stock Exchange (ii) an investment banking firm involved in stock broking, merchant banking and equity research and (iii) others.

Post SEBI Mr. Nagpal:

- Conducted training for officers of Insolvency and Bankruptcy Board of India (IBBI) on carrying out inspections and quasi-judicial proceedings. Subsequently, provided consultancy on the same subject and submitted a detailed report for further improvement of their systems and procedures.
- Provided consultancy to international agencies, listed companies, market intermediaries and advisor to group of entities and a leading law firm and advised on different segments of securities regulations.
- Passed Test of Proficiency conducted by MCA for appointment of independent directors.
- Got certificate of merit for all India Quiz contest on Insolvency Code conducted by the Government of India and the IBBI for his performance being among the top 10 per cent of the participants.
- Enrolled as Advocate with Bar Council of Maharashtra and Goa and passed all India written examination conducted by Bar Council of India.
- Have been on the board of a listed company.

Mr. Nagpal has an MBA in Finance and Marketing and a LLB degree.

**Mr. Rahul Choudhary**

Mr. Rahul Choudhary is a banker with around 21 years of experience (joined Axis Bank as a Management Trainee in 2003) across Product/Portfolio/Process Management with P&L ownership, Operations, Customer Experience, Strategy and Planning, New Product Development, Innovation/Transformation, Business Development/Coverage, Project Management and Compliance/Risk Management.

These roles have been in multiple functions in Axis Bank and across domains like Transaction Banking, Business & Institutional Banking, Retail & Branch Banking, Govt. Banking, Corporate Credit, Trade & Forex and Wholesale Banking Operations; with subject matter expertise in Liability, Payments, Transaction Banking, Corporate Credit/Asset Products, CMS, Govt. Business and Digital Banking.

His forte, across multiple roles, has been in setting up new business lines/products/services from scratch and leading large organizational transformation initiatives - right from designing the blueprint and strategic framework to execution in line with the Company's Vision and Strategic

goals; and driven a culture with strong and sharp focus on Governance, Risk and Compliance across all stints.

He was heading the Wholesale Banking Operations (WBO) Department at Axis Bank with a team size of 3,500+ staff – a mix of Central Back-Office Units & decentralized Wholesale Banking Service Teams across Credit, Domestic & Cross-Border Trade Finance, Retail Forex & Remittance, CMS & Current Account, Treasury Operations, Custody & Capital Market and ground delivery of these services to Wholesale (Corporate & SME/Commercial Banking) Clients through 350+ ground service teams (Wholesale Banking Centers).

His key responsibilities in the role included delivering superior customer service through best-in-class TATs leading to increased wallet share; enhanced operating efficiency through Tech, Digital & Analytics driven Ops Transformation; delivering on the digitization mandate through industry first initiatives and innovation including process re-engineering; accelerating digital adoption; increasing Cx / NPS scores; and ensuring compliance to regulations with effective and robust risk controls - the focus in the last few years has been on transformation of Wholesale Ops as an Agile & Future Ready Customer Centric Ops/Service Team with best-in-class compliance standards.

He has proven track record of delivery and execution across all roles. Specific to compliance – he has ensured Nil RMP observations, reduced RBI RAR observations (and all closed within committed timelines with no delays/breaches) and no repeat issues, Nil overdue Issues across IAD/Compliance/OR/FRR with more than 30% reduction in issues compared to previous year.

Mr. Rahul Choudhary has a BSC. (Hon) degree in Physics and PGDM – MDI, Gurgaon.

#### **Mr. Bipin Kumar Saraf**

Mr. Bipin Kumar Saraf is a rank holder Chartered Accountant and Cost Accountant and holds a bachelor's degree in commerce. He has more than 28 years of experience in the areas of Finance and Banking. Before joining Axis Bank Limited, Mr. Saraf was with IFCI Limited from 1995 to 2003. He commenced his career with IFCI Limited and was responsible for handling the portfolio of large and medium corporates belonging to various sectors including Steel, Power, Textile, Petrochemicals, etc. He joined the Capital Market Department of Axis Bank Limited in 2003 and was in-charge of the Corporate & Financial Advisory Portfolio in the Eastern Zone with the primary responsibility of undertaking project advisory & appraisal assignments, corporate restructuring and syndication of funds for various corporate clients. Subsequent to that he was responsible for the Structured Products business under the Capital Markets Department of Axis Bank Limited. During his last stint with Axis Bank he was Head of the Global Debt Syndication Business (International & Domestic). He has been with Axis Finance Ltd as its MD & CEO post acquisition of Enam Finance Private Limited as wholly owned subsidiary NBFC under Axis Bank. To his credit, Axis Finance Limited in the span of ten years has evolved as one of the growing NBFCs with a balance sheet size of above Rs. 35,000 crores and a prime focus on Wholesale and Retail Lending with a consistent profitability track record.

Mr. Bipin Kumar Saraf is a qualified CA & CWA and has a B.Com degree.

## **B. THE INVESTMENT MANAGER**

The Investment Manager is a public limited company incorporated under the Companies Act, 1956 in 1996, having its Registered Office at 21, Patullos Road, Chennai – 600002.

The Investment Manager has obtained a certificate of registration as a “Registered Fund Management Entity - Retail” through Registration No. IFSCA-AIF/103/2025-Capital Markets/1 dated July 01, 2025, by the International Financial Services Centers Authority. The Investment Manager has been appointed as the Investment Manager of the Fund by the Trustee vide the Investment Management Agreement dated 15 September 2025 as executed between the Trustee and the Investment Manager.

**Other business activities conducted by the Investment Manager are as follows:**

The Investment Manager also acts as the investment manager of SEBI approved Sundaram Mutual Fund having SEBI registration MF / 034 / 9.7 / 2

Presently there is no conflict of interest between the Mutual Fund and the Portfolio Management Services activities of the Investment Manager. The Investment Manager has systems in place to ensure that there are no material conflicts of interests in future.

The details of the directors of the Investment Manager are as follows:

**Mr. Harsha Viji (Chairman)**

Mr. Harsha Viji currently serves as the Chairman of Sundaram AMC and is also Executive Vice Chairman of Sundaram Finance Ltd. Previously, he held the positions of Deputy Managing Director at Sundaram Finance Ltd. and Managing Director at Sundaram Asset Management Company Ltd. He is a director on the boards of several companies and has nearly two decades of experience, specializing in strategy formulation, joint venture negotiations, and new business development. Over the years, he has worked with PricewaterhouseCoopers, McKinsey & Company, and Sundaram Finance Limited in various capacities. Mr. Viji holds a degree in Commerce, is a qualified Chartered Accountant, and earned his Master of Business Administration from the Ross School of Business, University of Michigan, USA.

**Mr. Anand Radhakrishnan (Managing Director)**

Mr. Anand Radhakrishnan is a seasoned Investment Professional with over 30 years of experience in the Indian Asset Management industry. He joined Sundaram AMC in Feb 2024 as the Chief Executive Officer and assumed the role of the Managing Director in Jun 2024. Prior to joining Sundaram AMC, he served as Managing Director & CIO (Equity) at Franklin Templeton India Ltd., wherein he and his team managed funds of both domestic and overseas investors, creating a long track record of superior performance and consistency.

He was earlier a part of Sundaram AMC between 1996 and 2004 and has also worked with SBI Funds Management Ltd. He holds a Management degree from the prestigious Indian Institute of Management, Ahmedabad, and is a Chartered Financial Analyst (CFA) charter holder from AIMR, USA. He also possesses a Bachelor of Technology (Chemical Engineering) degree from Anna University, Chennai.

**Mr. Rajiv Lochan Chellappa (Associate Director)**

Mr. Rajiv C. Lochan currently serves as an Associate Director at Sundaram AMC and is the Managing Director of Sundaram Finance Ltd. Prior to this role, he was a Partner at McKinsey & Company, where he primarily advised financial services institutions including banking, insurance, asset management, private equity, microfinance, and payments as well as organizations in the social sector, focusing on financial inclusion and public health. He also provided strategic counsel to family-owned businesses and co-founded McKinsey's Chennai practice.

Earlier in his career, Mr. Lochan worked at American Express in New York in the risk management team, at US Airways in Arlington, VA, in the Operations Research department, and as a summer intern at The World Bank in Washington, D.C. He holds a Bachelor of Technology degree in Civil Engineering from IIT Madras, a Master of Science in Transportation from the Massachusetts Institute of Technology (MIT), and an MBA from Columbia Business School, New York.

**Mr. Arvind Sethi (Independent Director)**

Mr. Arvind Sethi currently serves as an Independent Director at Sundaram AMC and has over three decades of experience in the banking and financial services sector. He has served as the Managing Director of Tata Asset Management Ltd. and Bank of America (Global Markets). Additionally, he has held senior leadership positions at ANZ Grindlays Bank and HSBC. He is a director on the boards of several companies and has been a member of the RBI's Technical Advisory Committee on Foreign Exchange. Mr. Arvind Sethi holds a Master of Arts (Honors) degree in Philosophy, Politics, and Economics from Oxford University.

**Mr. K N Sivasubramanian (Independent Director)**

Mr. K. N. Sivasubramanian currently serves as an Independent Director and has over 20 years of experience in the asset management industry and more than five years in a development bank. He retired as the Chief Investment Officer of Franklin Templeton Asset Management Company. Mr. Sivasubramanian holds a bachelor's degree in engineering and a master's degree from the Indian Institute of Management, Calcutta.

**Ms. Aarti Ramakrishnan (Independent Director)**

Ms. Aarti Ramakrishnan currently serves as an Independent Director at Sundaram AMC. She began her career in 2001 as a management trainee in HDFC Bank's newly formed sales division. In 2012, she co-founded Crayon Data, one of Asia's leading Big Data and AI start-ups, alongside Suresh Shankar, Vijaya Kumar Ivaturi, and Srikant Sastri. As part of the founding team, she has played a pivotal role in Crayon's growth, focusing on marketing, HR, and operations over the past decade.

With 22 years of experience in marketing and analytics, particularly in the BFSI sector, Ms. Aarti Ramakrishnan has received numerous accolades. She was recently featured in the Unofficial Women in Power List as part of the Women Leaders in Southeast Asia (Tech in Asia, 2023) and recognized among the Top 100 Women Building and Shaping India (The Mint, 2022). She was named Woman Leader in Fintech by the India Fintech Forum (IFTA, 2021) and received the Woman Entrepreneur Award from the Rotary Club of Madras East (RCME, 2021). Additionally, she was recognized as one of the Top 10 Most Impactful Women in Technology (Analytics Insights, 2020). She holds a Postgraduate Diploma in Finance and Marketing from Symbiosis University, Pune.

**Ms. Renuka Kamath (Independent Director)**

Ms. Renuka Kamath currently serves as an Independent Director at Sundaram AMC. She has over 20 years of experience in teaching administration, programme management, and research. She is currently the Associate Dean - Full Time Programmes and Professor of Marketing at S.P. Jain Institute of Management & Research (SPJIMR), Mumbai.

She holds a Master's degree in Chemistry from Delhi University, a Postgraduate Diploma in Management from T.A. Pai Management Institute, Manipal, and a Ph.D. from the University of Mumbai.

**C. KEY MANAGERIAL PERSONNEL AT IFSC**

The Investment Manager has appointed following Key Managerial Personnel(s) as required under Regulation 7 of the FM Regulations. The details of the Key Managerial Personnel(s) are given below:

**1. Principal Officer**

Mr. Dhiren H Thakkar is the principal officer of the Investment Manager. He is responsible for overall activities of the Investment Manager including but not limited to fund management, risk management and compliance in accordance with the FM Regulations.

Mr. Dhiren H Thakkar has 20+ years of experience across Mutual Fund, Client Experience, Branch Service Operations, Team Leadership, Alternate Investments Funds (AIF), SEBI compliance and Broker Dealer.

Prior to joining Sundaram Mutual Fund, he worked as a Zonal Manager and Regional Manager – Branch Service Operations at ICICI Prudential AMC . He was also a lead to the equity operations and investment advisory division of the branch in Way2Wealth Brokers Pvt. Ltd. Recently he was handling the Chief Operating Officer (COO) position in Sundaram Alternate Assets Ltd one of the group companies.

Dhiren is a MBA holder from Karnataka University, Dharwad and specialized in Finance & Marketing. He also possesses a Bachelor of Commerce degree from Karnataka University, Dharwad.

**Brief Profile**

| S. No. | Name of Organisation          | Designation                   | Period                 | Work Profile  |
|--------|-------------------------------|-------------------------------|------------------------|---|
| 1.     | Sundaram Alternate Assets Ltd | Chief Operating Officer (COO) | April-2024 to Aug-2025 | <ul style="list-style-type: none"> <li>Supervised company operations including custodial, fund accounting, RTA &amp; Technology</li> <li>Aligning cross-functional initiatives across business development, fund operations, client servicing, and compliance to drive organizational efficiency</li> <li>Aid in the launch of new alternative investment funds schemes and portfolio management</li> </ul> |



| S. No. | Name of Organisation              | Designation        | Period               | Work Profile   |
|--------|-----------------------------------|--------------------|----------------------|--|
|        |                                   |                    |                      | <p>schemes for Sundaram Alternates</p> <ul style="list-style-type: none"> <li>• Developing new strategies along with the leadership team for the alternative investment funds and portfolio management vertical</li> <li>• Involved in active fund management, including evaluating investment and divestment opportunities and deal monitoring</li> <li>• Supervision of compliance to ensure adherence to SEBI regulations for PMS and AIF</li> <li>• Drive automation in reporting, onboarding and client servicing</li> <li>• Work closely with CEO, CIO, CBO, Chief Strategic Alliances, and Compliance Head to support business enabling initiatives</li> <li>• Managing vendor relationships including custodians, brokers, tech vendors, and compliance partners</li> <li>• Oversee reporting function of the entity, including client reports, MIS, performance summaries, tax statements.</li> </ul> |
| 2.     | Sundaram Asset Management Co. Ltd | Head – Distributor | Nov-2012 to Mar-2024 | <ul style="list-style-type: none"> <li>• Leading a team of professionals focused on shaping mutual fund offerings of the group basis discussions</li> </ul>  |

| S. No. | Name of Organisation | Designation   | Period               | Work Profile  |
|--------|----------------------|---|----------------------|---|
|        |                      | and Investor Relationship   |                      | with several large value investors including family offices, pension funds etc. <ul style="list-style-type: none"> <li>• Responsible for managing RTA services for all Non-Financial Transactions C computation and release of brokerage on time</li> <li>• Managing overall functioning of the Mutual Fund Branch Operations, Call Centre Services</li> <li>• Managing the role and responsibilities of Investor Relations Officer</li> <li>• Executing Branch/Call Centre operations with ensuring compliance standards and customer delight</li> <li>• Handling the Central Customer Service team which plays a crucial role to handle direct customer escalations acts as a bridge between Branches and RTA</li> <li>• Supporting IT team in digital initiatives to test applications before their launch</li> <li>• Anchoring Internal audits</li> <li>• Managing, training &amp; developing team to ensure high operational efficiency</li> </ul> |
| 3.     | ICICI Prudential AMC | Zonal Manager – Branch Service Operations (South)<br>Regional Manager – Branch Service Operations (Karnataka) | Dec-2005 to Nov-2012 | <ul style="list-style-type: none"> <li>• Supervision of end-to-end branch operations across Region/Zone, ensuring adherence to compliance and quality standards with &lt;1% error rate</li> <li>• Monitor and optimize branch-level transaction processing and customer service metrics to ensure high operational efficiency</li> <li>• Review service delivery and to ensure resolution of client issues within defined TATs to drive customer satisfaction</li> <li>• Enforce corporate policies</li> </ul>  |



| S. No. | Name of Organisation        | Designation          | Period                 | Work Profile  |
|--------|-----------------------------|----------------------|------------------------|---|
|        |                             |                      |                        | and SOPs across branches; identify areas for automation and process simplification <ul style="list-style-type: none"> <li>• Facilitate training needs analysis; ensure AMFI certification for all team members in collaboration with HR</li> <li>• Build and maintain strategic partnerships with service providers including banks and registrars (CAMS)</li> <li>• Ensure 100% compliance with SEBI and internal audit regulations</li> </ul>   |
| 4.     | Way2Wealth Brokers Pvt. Ltd | Relationship Manager | April-2003 to Nov-2005 | <ul style="list-style-type: none"> <li>• Led the equity operations and investment advisory division of the branch</li> <li>• Handled NSE terminal operations, client settlements, and guided clients on stock strategies (buy/hold/sell)</li> <li>• Advised clients on mutual funds, insurance, and customized investment products based on their financial goals</li> <li>• Ensure and monitor timely and error free pay-in and pay-out settlement activities for trades carried out in the branch</li> <li>• Sourcing new clients and meeting targets of new client activation in the branch</li> <li>• Meeting revenue targets assigned from time to time</li> </ul> |

Educational qualifications:

| Education (Degree/Diploma/certificate) | Period     | Name of the Institution       | Major Specialization |
|--|------------|-------------------------------|----------------------|
| Master of Business Administration      | April-2001 | Karnataka University, Dharwad | Finance & Marketing  |
| Bachelor of Commerce                   | May-2004   | Karnataka University, Dharwad | Finance              |

## 2. Fund Manager

Mr Saurabh Kapadia is the fund manager designated with the responsibility of fund management in accordance with FM Regulations.

Mr Saurabh Kapadia has over 15+ years of experience in the financial services industry as Research Analyst. Prior to joining Sundaram Mutual, has worked with Asian Market Securities as Vice President. He is currently managing the research of Chemical and Healthcare sector at Sundaram Asset Management Company Ltd.

Mr. Saurabh Kapadia holds two professional degrees from ICWAI and CFA Institute (US). He also has a Post graduation degree specialised in MMS -Finance from Thakur Institute of Management Studies & Research (Mumbai University) and a bachelor's degree in commerce from Narsee Monjee College (Mumbai University).

### Brief Profile

| S. No. | Name of Organisation                   | Designation      | Period                      | Work Profile  |
|--------|--|------------------|-----------------------------|---|
| 1      | Sundaram Asset Management Company Ltd. | Research Analyst | September 2022 to Current   | Conduct research on the Chemical and Healthcare sector. Track and update companies, maintain models and give stock recommendations for portfolio. |
| 2      | Asian Market Securities                | Vice President   | March 2019 – September 2022 | To research and track companies under coverage to serve Institutional clients and provide stock ideas.  |

| S. No. | Name of Organisation      | Designation    | Period                       | Work Profile   |
|--------|---------------------------|----------------|------------------------------|--|
| 3      | India Nivesh Securities   | Senior Analyst | April 2017 – February 2019   | To research and track companies under coverage to serve Institutional clients and provide stock ideas.                             |
| 4      | Crisil Ltd                | Lead Analyst   | December 2015 - April 2017   | To research and track companies under coverage to serve Institutional clients and provide stock ideas.                             |
| 5      | Transparent Value Pvt Ltd | Senior Analyst | October 2009 – December 2015 | Conduct research on the oil & gas sector. Track and update companies, maintain models and give stock recommendation for portfolio. |

Educational qualifications:

| Education (Degree/Diploma/certificate) | Period    | Name of the Institution   | Major Specialization    |
|--|-----------|---|-------------------------|
| Chartered Financial Analyst (CFA)      | 2009-2012 | CFA Institute, USA  | Level 3 cleared in 2012 |
| ICWAI                                  | 2004-2007 | ICWAI   | Costing                 |
| MBA                                    | 2007-2009 | Thakur Institute of Management Studies & Research (Mumbai University) | MMS -Finance            |
| B. Com                                 | 2002-2007 | Narsee Monjee College (Mumbai University)                             | Commerce                |

### 3. Compliance Officer

Mr. Mahesh Menon is the compliance officer designated with the responsibility for compliance and risk management of the Investment Manager in accordance with FM Regulations.

Mr. Mahesh Menon has 9+ years' professional experience in Secretarial, Financial and corporate governance fields of various business sectors. He has handled the secretarial, compliance & risk aspects of various business industries like financial client advisory services, sea food export, shipping, IT, construction and education sector. He is a qualified Company Secretary from the Institute of Company Secretaries of India and is post graduate holder in Master of Business Law (MBL) from NLSIU & has a bachelor's degree in B.com from Calicut University.


**Brief Profile**

| S. No. | Name of Organisation                  | Designation                    | Period                      | Work Profile  |
|--------|---------------------------------------|--------------------------------|-----------------------------|---|
| 1      | Sundaram Asset Management Company Ltd | Assistant Manager - Compliance | June 2023 to present        | <ul style="list-style-type: none"> <li>Regulatory and compliance reporting with ROC, SEBI, AMFI and any other regulatory body as required.</li> </ul>   |
| 2      | Uber 9 Business Services Pvt Ltd      | Associate – Expert Team        | October 2022 – June 2023    | <ul style="list-style-type: none"> <li>Advisor to clients in various business sectors on the Compliance and risk aspects of business including ROC, RBI(FEMA), NBFCs, Startups etc.</li> </ul>  |
| 3      | Choice Trading Corporation Limited    | Secretarial Executive          | June 2021 to September 2022 | <ul style="list-style-type: none"> <li>Custodian for Compliance software to monitor the timely execution of activities of the Group companies. The compliances include FEMA, U.S FDA, FSSAI, RBI IDPMS &amp; EDPMS, ICEGATE, STPI, Companies Act, Factories Act, Labour Laws.</li> <li>Preparation of Risk Score assessment for the compliance and categorizing the risks.</li> <li>Conducting Board &amp; Committee Meetings. Preparation of Minutes, statutory registers &amp; filing of returns with ROC.</li> <li>Preparation of Legal agreements &amp; vetting of agreements.</li> </ul> |
| 4      | GrowthDrive Management Services       | Secretarial Associate          | August 2017 – May 2021      | <ul style="list-style-type: none"> <li>Engaged in incorporation of new companies like Private Limited, Public Limited, LLP &amp; Nidhi Companies with ROC.</li> <li>Engaged in preparation and filing of various applications with RBI, NCLT &amp; SEBI.</li> <li>Providing advisory service for startups on the Risk aspects of</li> </ul>   |

| S. No. | Name of Organisation | Designation | Period | Work Profile   |
|--------|----------------------|-------------|--------|--|
|        |                      |             |        | <p>the business &amp; steps to Mitigate the same. Arranging Startup funding from venture capitals to eligible business. Compliance reporting for venture capitalist on Investments made.</p> <ul style="list-style-type: none"> <li>Preparation of Business valuation to raise startup funding.</li> </ul> |

Educational qualifications:

| Education (Degree/Diploma/certificate) | Period                    | Name of the Institution                          | Major Specialization |
|--|---------------------------|--|----------------------|
| Company Secretary                      | June 2025                 | Institute of Company Secretaries of India - ICSI | Company Secretary    |
| Master's in business law               | June 2013 – December 2015 | National Law School of India Limited (NLSIU)     | Business Law         |
| Bachelor of Commerce                   | June 2009 – August 2012   | Govt. Victoria College (University of Calicut)   | Taxation             |

*The performance of the Fund is substantially dependent upon the performance of Underlying Funds. If the fund manager, employees, members and/or other personnel of the manager of the Underlying Funds cease to participate in the activities of the Underlying Funds then the Fund's performance could be adversely affected.*

*Notwithstanding any information/ statements given above, the ultimate responsibility with regard to the continuous compliance of the Fund with all Applicable Laws shall be vested with the Investment Manager.*

## VI. PRINCIPAL TERMS OF THE FUND

*This is a summary of the principal terms of the Fund. Any conflict between any statement made herein and any provisions of the Fund Documents, shall be resolved in favour of Fund Documents. Words and expressions used herein and not defined in the text of this section will have the meanings assigned to them in the other sections of the Offer Document or the relevant Fund Document (as applicable). The terms hereof, subject to Applicable Law, may be modified or withdrawn prior to Initial Offering Period.*

| Sr. No. | Term                    | Details  |
|---------|-------------------------|--|
| 1.      | <b>Type of Scheme</b>   | The Fund shall be an open-ended scheme and will be launched on the day of IFSCA taking the Offer Document on record (" <b>Launch Day</b> ").   |
| 2.      | <b>Target Investors</b> | <p>The Fund is seeking investments, subject to Applicable Law, predominantly from Qualified Contributors who shall be foreign investors, both individual and institutions who shall be non-resident as per section 6 of the Income-tax Act, 1961, including fund of funds, development finance institutions, endowment funds, pensions funds, family offices, banks, insurance companies, non-resident Indians, high net worth individuals and/or other sophisticated investors and Accredited Investors ("<b>Target Investors</b>").</p> <p>Investments may be accepted from Target Investors, subject to the terms and conditions specified by the Trustee and/or Investment Manager from time to time. Further, the Investment Manager reserves the right to reject or hold the investment proposed to be made by such Persons or redeem the units allotted to such Persons, as the case may be, as and when identified by the Investment Manager that such investment is not in compliance with the terms and conditions notified in this regard.</p> <p>The Investment Manager reserves the right to change or modify the foregoing provisions at any time.</p> <p>The Trustee and the Investment Manager shall deal only with Persons so named or admitted as Contributors whose names are entered in the register of Contributors and shall not accept applications for subscriptions of units accompanied with third party payment or cash investment. Any distribution to a Person shown on its books and records as a Contributor or its legal representative, or to the assignee of the right to receive distributions of the Fund as provided therein, shall absolve the Trustee, the Investment Manager and any committee of the Fund or the Trustee or the Investment Manager working on the affairs of the Fund of all liability to any other Person who may be interested in such distribution by reason of any other assignment by the Contributor or by reason of its incapacity or for any other reasons.</p> <p>It is clarified that Units will not be placed with investors resident in India as per section 6 of the Income-tax Act, 1961.</p> <p>A Contributor in the Fund who is likely to become a resident as per provisions of the Income-tax Act, 1961, should intimate within a</p> |

|    |                             |   |
|----|-----------------------------|---|
|    |                             | <p>reasonable time (which shall not be later than 5 (five) calendar days from the day the Contributor is aware of such a situation) before he becomes a resident and the process and consequence of intimation / confirmation of the Contributor’s residential status shall be in the form and manner determined by the Investment Manager including compulsory redemption, if required.</p> <p>The Fund shall onboard at least 20 (twenty) Contributors and no single Contributor shall hold more than 25% (twenty-five per cent) of the aggregate Capital Contributions of the Fund, provided that this condition shall be met during the NFO Period.</p>   |
| 3. | <b>Restricted Investors</b> | <p>Please note that the following cannot invest in the Fund:</p> <ul style="list-style-type: none"> <li>(a) Resident Indian(s);</li> <li>(b) Investors from Non-Compliant Countries and Territories (“<b>NCCTS</b>”) as determined by the Financial Action Task Force (“<b>FATF</b>”), from time to time;</li> <li>(c) Other restricted entities / individuals may be imposed by IFSCA / RBI /other relevant regulatory authorities from time to time; and</li> <li>(d) Any other investors as may be decided by Investment Manager from time to time.</li> </ul> <p>The Investment Manager reserves the right to put the transaction request on hold /reject.</p>  |
| 4. | <b>Fund Offering</b>        | <p>The Fund is open-ended in nature and shall have a minimum aggregate Capital Contribution of USD 3,000,000 (United States Dollar three million) or any other minimum Capital Contribution as may be prescribed as per FM Regulations from time to time to be achieved during the Initial Offering Period, provided that the Fund may commence its investment activities upon receipt of aggregate Capital Contributions of at least USD 1,000,000 (United States Dollar one million) subject to receipt of aggregate Capital Contribution of at least USD 3,000,000 (United States Dollar three million) or any other minimum Capital Contribution as may be prescribed as per FM Regulations, within 12 (twelve) months from the Launch Day or such other higher period prescribed under FM Regulations from time to time.</p> |
| 5. | <b>Units</b>                | <p>“<b>Units</b>” refer to the units of the Fund representing the Beneficial Interest of each Contributor in the Fund, determined in accordance with the Fund Documents.</p> <p>The holders of Units of the Fund shall, collectively, be referred to as the “<b>Contributors</b>” or “<b>Unitholders</b>” or “<b>Beneficiaries</b>”.</p> <p>The Units shall be allotted by the Fund to each Contributor pursuant to the Contributor making a Capital Contribution to the Fund, and each Unit of such Contributor shall evidence its Beneficial Interest to the extent of its Capital Contribution.</p>  |

|    |  |  |
|----|--|--|
|    |  | <p><b>“Beneficial Interest”</b> of each Beneficiary to the relevant Unitholder shall be based on their respective Units-holding in the Fund, and shall be calculated in accordance with the Indenture.</p>   |
| 6. | <b>Offer Price (per unit)</b>              | USD 10 (United States Dollar Ten)  |
| 7. | <b>Frequency of NAV Disclosure</b>         | <p>The Investment Manager will calculate and disclose the first NAV within a period of 30 (thirty) Business Days from the date of closure of the NFO Period. Subsequently, the Investment Manager will calculate and disclose the NAVs on all Business Days.</p> <p>The NAVs shall be disclosed under a separate head on its website <a href="http://www.sundarammutual.com">www.sundarammutual.com</a> on every Business Day.</p>   |
| 8. | <b>Initial Offer Period and NFO Period</b> | <p>The initial offer for the subscription of Units of Fund shall commence from the Launch Day and expire within 12 (twelve) months from the Launch Day or such other higher period prescribed under FM Regulations, provided that the Fund has received aggregate Capital Contributions of at least USD 3,000,000 (United States Dollar Three Million), or any other minimum Capital Contribution as may be prescribed as per FM Regulations, or such higher amounts as may be otherwise determined by the Investment Manager at its discretion (<b>“Initial Offering Period”</b>).</p> <p>Provided that the Fund may commence its investment activities upon receipt of aggregate Capital Contributions of at least USD 1,000,000 (United States Dollar one million) subject to receipt of aggregate Capital Contributions of at least USD 3,000,000 (United States Dollar three million) or any other minimum Capital Contribution as may be prescribed as per FM Regulations, within 12 (twelve) months from the Launch Day or such other higher period prescribed under FM Regulations from time to time (<b>“NFO Period”</b>).</p> <p>Subject to the Applicable Law, if the Investment Manager fails to achieve at least USD 3,000,000 (United States Dollar three million) or any other minimum Capital Contribution as may be prescribed as per FM Regulations within within 12 (twelve) months from the Launch Day or such other higher period prescribed under FM Regulations from time to time, the Investment Manager shall have a one-time option to extend the validity of this Offer Document for a further period of 6 (six) months by paying 50% (fifty percent) of the fee as applicable for filing of a fresh scheme.</p> <p>The Investment Manager may give a prior intimation of not less than 7 (seven) Business Days in order to compulsorily exit all the Units in issue, if at any time the Fund’s corpus shall for 3 (three) consecutive months be less than USD 3,000,000 (United States Dollar three million) and the Investment Manager fails to bring back the corpus to USD 3,000,000 (United States Dollar three million).</p> <p>Admission of Contributors and acceptance of Capital Contributions shall be at the sole discretion of the Investment Manager subject to submission of the Application Form and the requisite documentation</p> |

|           |   |   |
|-----------|---|---|
|           |   | <p>including KYC documents and other supporting documents to the OPA of the Fund to the satisfaction of the Investment Manager, and the Investment Manager may reject any requests in this regard, including for reasons of compliance with Applicable Law.</p> <p>After the Initial Offering Period, the Investment Manager may allow admission of new investors into the Fund by accepting Capital Contributions from new investors or from existing Contributors on any Dealing Day in accordance with <b>Clause 9</b>.</p> <p>The Investment Manager, in its sole discretion, shall be permitted to invest the Capital Contributions in Temporary Investments, as per FM Regulations.</p>   |
| <p>9.</p> | <p><b>Subscription Offering Price</b> /</p> | <p>After the Initial Offering Period, the Investment Manager may allow admission of new Contributors into the Fund by accepting Capital Contributions from such new Contributors on any Dealing Day. The Investment Manager may also permit existing Contributors to increase their Capital Contributions on any Dealing Day. It is clarified that the admission of new Contributors and acceptance of Capital Contributions (including increases thereto), is at the sole discretion of the Investment Manager subject to submission of the Application Form and the requisite documentation including KYC documents and other supporting documents to the OPA of the Fund to the satisfaction of the Investment Manager, and the Investment Manager may reject any requests in this regard, including for reasons of compliance with Applicable Law.</p> <p>Units will not be allotted unless the Investment Manager is satisfied that cleared funds and the requisite documentation have been received on or before the date of allotment of Units or such other date as may be decided by the Investment Manager in its sole discretion.</p> <p>During the NFO Period, the Contributors shall be issued such number of Units as is determined by dividing its Capital Contribution by the face value per Unit. After the NFO Period, the Contributors shall be issued such number of Units as is determined by dividing its Capital Contribution by the prevailing NAV as on Dealing Day ("<b>Offering Price</b>").</p> <p>The Contributor may make Capital Contributions and receive distributions from the Fund through electronic payment. It will be the responsibility of the Contributor to ensure the correctness of all details to be provided to the Fund to enable payment through electronic mode including SWIFT code and correspondent bank details of recipient bank branch and bank account number of the Beneficiary and that the Fund, the Trustee and the Investment Manager assume no liability on account of these details being incorrect, insufficient or false. The Trustee and the Investment Manager shall not be liable for delay/non-payments to or from the Contributor on account of: (i) incorrect, insufficient or false details provided by the Contributor; (ii) dislocation of work due to the circumstances beyond the control of remitting/destination banks like</p> |

|            |                                 |  |
|------------|---------------------------------|--|
|            |                                 | <p>non-functioning of computer system, disruption of work due to natural calamities, strike, riot etc. or network or internet problem or other causes beyond the control of the branch/bank resulting in disruption of communication. Delay in remittance on account of such events can be rectified only when disruption is set right; (iii) recipient bank/branch does not credit the beneficiary's account for any reason whatsoever. If it is a holiday at the centre where the recipient branch is situated or remittee branch is not open, then the credit will be passed on to the remittee/beneficiary on next local working day.</p>  |
| <p>10.</p> | <p><b>Purchase of Units</b></p> | <p><b>Initial Offering Period:</b> The Contributor along with application together with KYC documentation or such other information can subscribe to the Units of the Fund. The Application Form together with such other documentation or information that may be requested by the Investment Manager should be emailed or physically delivered to the Investment Manager at the address listed in the directory, at least 2 (Two) Business Days prior to the expiry of the Initial Offering Period or relevant Dealing Day (as the case may be). The aforementioned time period may be amended by the Investment Manager, if it deems fit.</p> <p><b>Post Initial Offering Period:</b> The Contributor along with application together with KYC documentation or such other information can subscribe to the units of the Fund. The Application Form together with such other documentation or information that may be requested by the Investment Manager should be physically delivered to the OPA. The Application Form will be deemed to be received by OPA on the date when complete original documents are received along with the funds.</p> <p>The Application Form may be availed from any of the service centers / branch / office of Investment Manager, from the service provider or Placement Agents or in such other manner as may be determined by the Investment Manager.</p> <p>Please note that if the KYC documents as required under the Regulations, are not received by the Investment Manager, the Investment Manager has the rights to freeze / cancel/ redeem /refund the units or amounts as the case may be, at its sole discretion.</p> <p><b><u>Third-party payment or cash investment</u></b></p> <p>The Fund shall not accept applications for subscriptions of units accompanied with third party payment or cash investment.</p> <p><b><u>Liquidity</u></b></p> <p>The Fund is open for subscription/switch-in and redemption/switch-out of Units on every Business Day on an ongoing basis at NAV based prices, subject to applicable Redemption Fees, if any.</p> <p>The Investment Manager reserves the right to reject further subscription / application for units of the Fund on an on-going basis, depending on the prevailing market conditions and to protect the interest of the Investors. Such change will be notified to the Investors by display of notice at designated investor service centers / branch of</p> |

|                               |   | Investment Manager and / or such other manner as may be determined by the Investment Manager.   |             |             |                    |          |                               |          |                 |       |                 |   |                   |       |                        |       |                             |       |             |              |                    |          |                               |          |                 |       |
|-------------------------------|---|---|-------------|-------------|--------------------|----------|-------------------------------|----------|-----------------|-------|-----------------|---|-------------------|-------|------------------------|-------|-----------------------------|-------|-------------|--------------|--------------------|----------|-------------------------------|----------|-----------------|-------|
| 11.                           | <b>Plan Options</b>   | <p>The Fund offers two Plans:</p> <ol style="list-style-type: none"> <li>1. Regular Plan, and</li> <li>2. Direct Plan</li> </ol> <p>The Direct Plan is only for Contributors who purchase/subscribe Units of the Fund directly with the Fund and is not available for Contributors who route their investments through a Placement Agent.</p> <p>The Regular Plan is for Contributors who purchase/subscribe Units of the Fund through a Placement Agent.</p> <p>The following fees shall be applicable to Contributors who are onboarded via the Direct Plan:</p> <table border="1" data-bbox="564 929 1410 1639"> <thead> <tr> <th>Particulars</th> <th>Direct Plan</th> </tr> </thead> <tbody> <tr> <td>Minimum Investment</td> <td>USD 5000</td> </tr> <tr> <td>Minimum Additional Investment</td> <td>USD 1000</td> </tr> <tr> <td>Management Fees</td> <td>0.20%</td> </tr> <tr> <td>Redemption Fees</td> <td>2% (of the NAV of the Units being redeemed) if Units are redeemed within the 1<sup>st</sup> (first) year of the date of their allotment<br/><br/>1% (of the NAV of the Units being redeemed) if Units are redeemed within the 2<sup>nd</sup> (second) year of the date of allotment</td> </tr> <tr> <td>Operating Expense</td> <td>0.25%</td> </tr> <tr> <td>Underlying Fund Fees**</td> <td>0.90%</td> </tr> <tr> <td>Overall Total Expense Ratio</td> <td>1.35%</td> </tr> </tbody> </table> <p>The following fees shall be applicable to Contributors who are onboarded via the Regular Plan:</p> <table border="1" data-bbox="564 1798 1410 2004"> <thead> <tr> <th>Particulars</th> <th>Regular Plan</th> </tr> </thead> <tbody> <tr> <td>Minimum Investment</td> <td>USD 5000</td> </tr> <tr> <td>Minimum Additional Investment</td> <td>USD 1000</td> </tr> <tr> <td>Management Fees</td> <td>1.50%</td> </tr> </tbody> </table> | Particulars | Direct Plan | Minimum Investment | USD 5000 | Minimum Additional Investment | USD 1000 | Management Fees | 0.20% | Redemption Fees | 2% (of the NAV of the Units being redeemed) if Units are redeemed within the 1 <sup>st</sup> (first) year of the date of their allotment<br><br>1% (of the NAV of the Units being redeemed) if Units are redeemed within the 2 <sup>nd</sup> (second) year of the date of allotment | Operating Expense | 0.25% | Underlying Fund Fees** | 0.90% | Overall Total Expense Ratio | 1.35% | Particulars | Regular Plan | Minimum Investment | USD 5000 | Minimum Additional Investment | USD 1000 | Management Fees | 1.50% |
| Particulars                   | Direct Plan   |   |             |             |                    |          |                               |          |                 |       |                 |   |                   |       |                        |       |                             |       |             |              |                    |          |                               |          |                 |       |
| Minimum Investment            | USD 5000  |   |             |             |                    |          |                               |          |                 |       |                 |   |                   |       |                        |       |                             |       |             |              |                    |          |                               |          |                 |       |
| Minimum Additional Investment | USD 1000  |   |             |             |                    |          |                               |          |                 |       |                 |   |                   |       |                        |       |                             |       |             |              |                    |          |                               |          |                 |       |
| Management Fees               | 0.20%   |   |             |             |                    |          |                               |          |                 |       |                 |   |                   |       |                        |       |                             |       |             |              |                    |          |                               |          |                 |       |
| Redemption Fees               | 2% (of the NAV of the Units being redeemed) if Units are redeemed within the 1 <sup>st</sup> (first) year of the date of their allotment<br><br>1% (of the NAV of the Units being redeemed) if Units are redeemed within the 2 <sup>nd</sup> (second) year of the date of allotment |   |             |             |                    |          |                               |          |                 |       |                 |   |                   |       |                        |       |                             |       |             |              |                    |          |                               |          |                 |       |
| Operating Expense             | 0.25%   |   |             |             |                    |          |                               |          |                 |       |                 |   |                   |       |                        |       |                             |       |             |              |                    |          |                               |          |                 |       |
| Underlying Fund Fees**        | 0.90%   |   |             |             |                    |          |                               |          |                 |       |                 |   |                   |       |                        |       |                             |       |             |              |                    |          |                               |          |                 |       |
| Overall Total Expense Ratio   | 1.35%   |   |             |             |                    |          |                               |          |                 |       |                 |   |                   |       |                        |       |                             |       |             |              |                    |          |                               |          |                 |       |
| Particulars                   | Regular Plan  |   |             |             |                    |          |                               |          |                 |       |                 |   |                   |       |                        |       |                             |       |             |              |                    |          |                               |          |                 |       |
| Minimum Investment            | USD 5000  |   |             |             |                    |          |                               |          |                 |       |                 |   |                   |       |                        |       |                             |       |             |              |                    |          |                               |          |                 |       |
| Minimum Additional Investment | USD 1000  |   |             |             |                    |          |                               |          |                 |       |                 |   |                   |       |                        |       |                             |       |             |              |                    |          |                               |          |                 |       |
| Management Fees               | 1.50%   |   |             |             |                    |          |                               |          |                 |       |                 |   |                   |       |                        |       |                             |       |             |              |                    |          |                               |          |                 |       |

|                             |  | <table border="1"> <tr> <td>Redemption Fees</td> <td>2% (of the NAV of the Units being redeemed) if Units are redeemed within the 1<sup>st</sup> (first) year of the date of their allotment</td> </tr> <tr> <td></td> <td>1% (of the NAV of the Units being redeemed) if Units are redeemed within the 2<sup>nd</sup> (second) year of the date of allotment</td> </tr> <tr> <td>Operating Expense</td> <td>0.25%</td> </tr> <tr> <td>Underlying Fund Fees**</td> <td>0.90%</td> </tr> <tr> <td>Overall Total Expense Ratio</td> <td>2.65%</td> </tr> </table> <p><i>**Any change to the fee structure of the Underlying Fund(s) will lead to a proportionate change in the Underlying Fund Fee mentioned above</i></p> <p>Please also refer to “<b>SECTION XIV: SUMMARY OF CUMULATIVE FEES AND EXPENSES</b>”.</p>   | Redemption Fees | 2% (of the NAV of the Units being redeemed) if Units are redeemed within the 1 <sup>st</sup> (first) year of the date of their allotment |                    | 1% (of the NAV of the Units being redeemed) if Units are redeemed within the 2 <sup>nd</sup> (second) year of the date of allotment | Operating Expense | 0.25%    | Underlying Fund Fees** | 0.90% | Overall Total Expense Ratio | 2.65%    |          |  |
|-----------------------------|--|---|-----------------|--|--------------------|---|-------------------|----------|------------------------|-------|-----------------------------|----------|----------|--|
| Redemption Fees             | 2% (of the NAV of the Units being redeemed) if Units are redeemed within the 1 <sup>st</sup> (first) year of the date of their allotment |   |                 |  |                    |   |                   |          |                        |       |                             |          |          |  |
|                             | 1% (of the NAV of the Units being redeemed) if Units are redeemed within the 2 <sup>nd</sup> (second) year of the date of allotment      |   |                 |  |                    |   |                   |          |                        |       |                             |          |          |  |
| Operating Expense           | 0.25%  |   |                 |  |                    |   |                   |          |                        |       |                             |          |          |  |
| Underlying Fund Fees**      | 0.90%  |   |                 |  |                    |   |                   |          |                        |       |                             |          |          |  |
| Overall Total Expense Ratio | 2.65%  |   |                 |  |                    |   |                   |          |                        |       |                             |          |          |  |
| 12.                         | <b>Minimum Capital Contribution</b>  | <table border="1"> <thead> <tr> <th>Share Class</th> <th>Minimum Investment</th> <th>Minimum Investment</th> <th>Additional</th> </tr> </thead> <tbody> <tr> <td>Direct</td> <td>USD 5000</td> <td>USD 1000</td> <td></td> </tr> <tr> <td>Regular</td> <td>USD 5000</td> <td>USD 1000</td> <td></td> </tr> </tbody> </table> <p>Subject to the FM Regulations, the Investment Manager may, in its sole discretion, accept Capital Contributions for lesser amounts from Accredited Investors.</p> <p>The Capital Contributions to the Fund will be denominated in United States Dollar.</p> <p>Movement of Units of a Contributor from one Class to another may be permitted by the Investment Manager at its sole discretion if a Contributor increases or decreases its Capital Contribution in the Fund. In relation to such movement of Units from one Class of Units to another, it is hereby clarified that the relevant fees and expenses that shall be applicable on such moving class of Units shall be as per the fees and expenses applicable to the new Class of Units, to which a Contributor has been moved.</p> <p>In accordance with the FM Regulations, the Investment Manager is exempted from making the mandatory continuing commitment in the Fund (which is lower of 1% of the AUM of the Fund or USD 200,000) as the Fund on account of being a fund of fund scheme, will substantially invest all of its assets in the Underlying Fund with similar requirements.</p> | Share Class     | Minimum Investment   | Minimum Investment | Additional  | Direct            | USD 5000 | USD 1000               |       | Regular                     | USD 5000 | USD 1000 |  |
| Share Class                 | Minimum Investment   | Minimum Investment  | Additional      |  |                    |   |                   |          |                        |       |                             |          |          |  |
| Direct                      | USD 5000   | USD 1000  |                 |  |                    |   |                   |          |                        |       |                             |          |          |  |
| Regular                     | USD 5000   | USD 1000  |                 |  |                    |   |                   |          |                        |       |                             |          |          |  |

|     |   |  |
|-----|---|--|
| 13. | <b>Term and termination of the Fund</b> | <p>The Fund is open-ended and does not have a fixed tenure. The Fund will continue until terminated as described under this <b>Clause 13</b>. The Fund is subject to dissolution and termination upon the occurrence of any of the following events ("<b>Event of Termination</b>"):</p> <ul style="list-style-type: none"> <li>(a) the Fund exiting from all Portfolio Investments and distribution of the Distributable Proceeds to the Beneficiaries;</li> <li>(b) if the Trustee (on the prior written advice of the Investment Manager) determines that all assets held, acquired or agreed to be acquired by the Fund have been sold or disposed of or not capable of being acquired and related Distributable Proceeds or Capital Contributions, in case of unconsummated transactions, have been distributed in accordance with <b>Clause 18</b>;</li> <li>(c) if the IFSCA or other regulator having jurisdiction over the Fund directs that the Fund should be terminated in the interests of the Contributors or otherwise;</li> <li>(d) if the Trustee determines (on the prior written advice of the Investment Manager) that it is illegal or impracticable for the Fund to continue in operation taking into account its Investment Objective and strategy and/or Applicable Law;</li> <li>(e) if the Fund is in violation of any of the applicable provisions of the SEBI Master Circular for Mutual Funds;</li> <li>(f) if the Fund is unable to raise the minimum USD 3,000,000 (United States Dollar Three Million) within 12 (twelve) months from the date IFSCA takes the Offer Document on record; and</li> <li>(g) under such other circumstances as set out in this agreement or other Fund Documents as causing due termination of the Fund.</li> </ul> <p>Upon occurrence of any of the events referred to hereinabove, the Trustee through the Investment Manager shall intimate IFSCA and the Contributors of the circumstances leading to the winding up of the Fund. Notwithstanding the termination of the Fund, the Contributors shall continue to remain liable towards the Fund for the expense incurred.</p> <p>To achieve effective winding up of the Fund, the Investment Manager will endeavour and take all practical steps that the Fund's assets are liquidated and proceeds accruing to the Contributors of the Fund are distributed after satisfying all liabilities, in order to effect winding up of the Fund.</p> <p>The Investment Manager or Trustee in consultation with the Investment Manager as it thinks fit, may retain the amount towards Tax or Tax liability or for the purpose of any expenses or reserves created for such Tax liability or expense at the time of Termination of the Fund.</p> <p>In the event the Investment Manager is unable to liquidate the assets of the Fund upon the occurrence of an Event of Termination, the Trustee (either by itself or through a representative) or a liquidator, receiver, administrator or similar Person appointed by the Trustee</p> |
|-----|---|--|

|   |  | <p>shall liquidate and distribute the assets of the Fund within such period that it reasonably determines is required for the orderly winding up of the affairs of the Fund, the protection and realisation of the Fund’s assets and distribution amongst the Contributors.</p> <p>The liquidator shall apply the proceeds of liquidation and assets of the Fund in one or more instalments in the following order of priority:</p> <ul style="list-style-type: none"> <li>(a) Payment of the expenses of the winding up and liquidation;</li> <li>(b) Payment of all the Fund Expenses and/or establish sufficient reserves to meet any potential or actual liabilities (including Tax(es)) of the Fund other than to the Contributors and on such terms as determined appropriate by the liquidator;</li> <li>(c) Payment, in accordance with the terms agreed among them and otherwise on a pro rata basis, all other creditors of the Fund that are Contributors, either by the payment thereof or the making of reasonable provisions therefor; and</li> <li>(d) Notwithstanding anything contained herein, in case the Trustee, on the advice of the Investment Manager, anticipates that certain expenditure may be required to be incurred after the dissolution of the Fund for costs, charges, expenses, fees or liabilities (including Tax liabilities) of the Fund, the Trustee may, on the advice of the Investment Manager, create any reserves or recall distributions made by the Trustee to the Contributors for any such costs, charges, expenses, fees or liabilities (including Tax liabilities) in accordance with Applicable Law.</li> </ul> |                        |                              |                    |   |  |        |
|---|--|--|------------------------|------------------------------|--------------------|---|--|--------|
| 14.   | <b>Redemption</b>  | <p><b>Redemption by Contributors on Dealing Day:</b></p> <p>Any Contributor shall have a right to fully or partially exit on a Dealing Day with a minimum redemption request for USD 500 (United States Dollar Five Hundred), provided that such partial exit shall not result in its Capital Contribution falling below the minimum capital requirements in accordance with the Fund Documents and Applicable Law at any point in time.</p> <p>Such exit shall be at the prevailing NAV (net of Taxes including Taxes on unrealised gains) less Redemption Fees, if any, on any Dealing Day as per the Fund Documents for which such valid redemption request is received.</p> <p>“<b>Redemption Fees</b>” means the early termination charge levied on the net asset value of units on relevant Units of the Fund in connection with the redemption of units as follows:</p> <table border="1" data-bbox="564 1727 1394 1993"> <thead> <tr> <th><u>Redemption Fees</u></th> <th><u>Redemption Fee Period</u></th> <th><u>Share Class</u></th> </tr> </thead> <tbody> <tr> <td>2% (of the NAV of the Units being redeemed)</td> <td>if Units are redeemed within the 1<sup>st</sup> (first) year of the date of their allotment</td> <td>Direct</td> </tr> </tbody> </table>  | <u>Redemption Fees</u> | <u>Redemption Fee Period</u> | <u>Share Class</u> | 2% (of the NAV of the Units being redeemed) | if Units are redeemed within the 1 <sup>st</sup> (first) year of the date of their allotment | Direct |
| <u>Redemption Fees</u>                      | <u>Redemption Fee Period</u>   | <u>Share Class</u>   |                        |                              |                    |   |  |        |
| 2% (of the NAV of the Units being redeemed) | if Units are redeemed within the 1 <sup>st</sup> (first) year of the date of their allotment | Direct   |                        |                              |                    |   |  |        |

|  |  |  |   |                |
|--|--|--|---|----------------|
|  |  | <p>1% (of the NAV of the Units being redeemed)</p> | <p>if Units are redeemed within the 2<sup>nd</sup> (second) year of the date of allotment</p>       |                |
|  |  | <p>2% (of the NAV of the Units being redeemed)</p> | <p>if Units are redeemed within the 1<sup>st</sup> (first) year of the date of their allotment</p>  | <p>Regular</p> |
|  |  | <p>1% (of the NAV of the Units being redeemed)</p> | <p>if Units are redeemed within the 2<sup>nd</sup> (second) year of the date of their allotment</p> |                |
|  | <p>The Investment Manager may at its sole discretion, agree to waive or reduce the Redemption Fees on exit for any Contributor. The Redemption Fees may be paid to the Investment Manager and shall be exclusive of all applicable taxes leviable on such Redemption Fees, and all applicable Taxes/levies (together with surcharge or cess as may be applicable) leviable on such Redemption Fees shall be paid by the relevant exiting Beneficiaries.</p> <p>Notwithstanding the above, Investment Manager may accept the exit form and provide exit to the Contributors at any such time as determined by the Investment Manager. Any assets or monies to be distributed pursuant to redemption shall be distributed to the Contributor within 30 (thirty) days from the relevant Dealing Day or such other date as may be decided by the Investment Manager.</p> <p>Any Redemption Fees in accordance with the foregoing, shall be paid to the Investment Manager subject to withholding taxes, if any.</p> <p>Exits shall be effected by distributions to be made through normal banking channels and exit of the Beneficial Interest.</p> <p>Upon receipt of the request for exit of Beneficial Interest from a Contributor (“<b>Exiting Contributor</b>”), the Investment Manager may at its own discretion allocate to the Exiting Contributor, out of the undivided assets of the Fund, such assets as are equivalent to the total NAV of the Beneficial Interest for which exit is requested for as against the total NAV of the Fund. The assets allocated to such Exiting Contributor shall be liquidated by the Investment Manager and applied for exit of Beneficial Interest requested by such Exiting Contributor. It is hereby clarified that the proceeds on such liquidation of asset including any income thereon would be subject to adequate retention of tax provisioning / reserving at the discretion of the Investment Manager.</p> <p>Upon the complete and/or partial exit from a Beneficial Interest, the Contributor shall cease to be entitled to any rights in respect of the Beneficial Interest from which exit has been obtained (except right to receive any distribution which has been declared prior to such exit) and accordingly its name shall be removed from the register of Contributors in case of a complete exit and necessary edits will be</p> |  |   |                |

|  |   |
|--|---|
|  | <p>made to the details of the Beneficial Interest in case of complete and/or partial exit. The Contributor shall at all times remain liable for its pro rata share of any expenses, obligations and liabilities in relation to such Beneficial Interest including its indemnification obligations, Tax and non-Tax obligations as set out in <b>Clause 28</b> titled '<b>Give back by the Investors</b>'. The Investment Manager shall make equitable measures/quantification of the Tax consequence upon the exit of the Contributor which shall be final and binding on the Contributor. Upon such equitable measure / quantification of the Tax consequence, the Investment Manager may create a provision for Tax reserve. The creation of such Tax reserve by the Investment Manager shall also be final and binding on the Contributor.</p> <p>The Investment Manager believes (but cannot guarantee) that the assets of the Fund will be invested in a manner that would allow the Fund to satisfy exit requests in the ordinary course. The Investment Manager has the right to pay cash, to a Contributor that makes an exit in accordance with the FM Regulations.</p> <p>Redemption due to any reasons may entail Tax consequences. The Trustee, Investment Manager, Fund, the fiduciaries (as defined under FM Regulations and above) shall not be liable for any such Tax consequences that may arise due to such redemptions. Any Tax consequences associated with redemptions will be borne by the Investors and the Investors should consult their own tax advisors in this regard.</p> <p>In case the Investment Manager or its Settlor or its shareholders or their /associates or group companies make substantial investment, either directly or indirectly in the Fund, redemption of units by these entities may have an adverse impact on the performance of the Fund. This may also affect the ability of the other Unitholders to redeem their units.</p> <p>As the liquidity of the Fund's investments may sometimes be restricted by trading volumes and settlement periods, the time taken by the Fund for redemption of Units may be significant in the event of an inordinately large number of redemption requests or of a restructuring of the Fund's portfolio. In view of this, the Trustee has the right, in its sole discretion, to limit redemptions under certain circumstances.</p> <p>In terms of the Prevention of Money Laundering Act, 2002 ("<b>PMLA</b>") the rules issued thereunder, and the guidelines/circulars issued by SEBI regarding the Anti Money Laundering (AML) Laws, all intermediaries, including mutual funds, are required to formulate and implement a client identification program, and to verify and maintain the record of identity and address(es) of investors. Pursuant to the provisions of Prevention of Money Laundering Act, 2002, if after due diligence, the IM believes that any transaction is suspicious in nature as regards money laundering, on failure to provide required documentation, information, etc. by the unit holder, the Investment Manager shall have absolute discretion to report such cash and suspicious transactions to FIU-IND, New Delhi and / or to freeze the</p> |
|--|---|

|     |                             |   |
|-----|-----------------------------|---|
|     |                             | <p>folios of the investor(s), reject any application(s)/redemptions / allotment of Units.</p> <p>The Investment Manager also reserves the right at its sole discretion to withdraw sale of Units in the Fund temporarily or indefinitely, if the Investment Manager is of the view that increasing the Fund’s size further may prove detrimental to the interest of existing Unitholders of the Fund. In the above scenario, the time limits indicated for processing of requests for subscription of Units will not be applicable.</p> <p>The Investment Manager may freeze/lock the folio(s) of investor(s)/Unitholder(s) for further transactions or reject any applications for subscription or redemption of units pursuant to receipt of instructions/directions/orders issued by any Governmental, judicial, quasi-judicial or other similar authority (Authority), including orders restricting the investor (s)/Unitholder(s) from dealing in securities or for attachment of units held by the investor(s)/Unitholder(s) or under the requirement of any law or regulations for the time being in force.</p> <p>The Investment Manager and/or its Registrars &amp; Transfer Agent (RTA) reserve the right to disclose/share Unitholder’s details of folio(s) and transaction details thereunder with the following third parties:</p> <ul style="list-style-type: none"> <li>a) RTA, Banks and/or authorized external third parties who are involved in transaction processing, dispatching etc., of the Unitholders investment in the Fund;</li> <li>b) Distributors or sub-brokers through whom the applications are received for the Fund;</li> <li>c) Any other organizations for compliance with any legal or regulatory requirements or to verify the identity of the Unitholders for complying with anti-money laundering requirements.</li> </ul> |
| 15. | <b>Mandatory Redemption</b> | <p>Units may be terminated/redeemed/transferred in certain circumstances, including, among others, where the Investor ceases to be an Eligible Person, where the continued holding of such Units by an Investor could cause the Fund or the Investment Manager to violate Applicable Laws, to become subject to a material regulatory or other burden or to suffer material taxation or other economic disadvantages or where the Investor in question has breached any of the Fund Documents.</p> <p>The Investment Manager in its sole discretion require mandatory redemption of all or some of the Units held by a Contributor upon either (i) a determination of the Investment Manager that such holding may result in material legal, regulatory, or other problems for the Fund, including the violation of any investment thresholds applicable under the SEBI Master Circular for Mutual Funds, (ii) the failure of a Contributor to respond promptly to requests for information reasonably required by the Investment Manager to determine whether such Contributor’s holding results in material legal, regulatory, or other problems for the Fund, or (iii) a breach of</p>   |

|            |                                    |  |
|------------|------------------------------------|--|
|            |                                    | <p>any representation or warranty made by a Contributor to the Fund or (iv) 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 (v) 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) (vi) who become a resident of India as per section 6 of the Income-tax Act, 1961 post investment in the Fund.</p> <p>The Investment Manager also has the power to mandatorily require the Contributor to exit for any holding which is less than the minimum Capital Contribution as per this Offer Document on account of an exit made by a Contributor at its discretion.</p> <p>The Investment Manager shall determine the exit price of the Units held by the Contributor being mandatorily redeemed based on the lower of NAV calculated at the time of compulsory redemption or at the time of distributions/ redemptions made to the Contributors, or such other price as maybe determined by the Investment Manager and after considering any retention amount towards Taxes/reserve for any future contingent or unforeseen liabilities or obligations or expenses as described at <b>Clause 14</b>. The payments shall be made by Investment Manager in such time, as may be reasonably determined by the Investment Manager and which does not adversely impact the interest of the remaining Contributors.</p> <p>Upon the mandatory redemption of Units, the Contributor shall cease to be entitled to any rights in respect of such Units redeemed (except the right to receive a dividend or any other pay-out which has been declared thereof prior to such redemption being given effect to) and accordingly its name shall be removed from the register of Contributors with respect to such Units.</p> |
| <p>16.</p> | <p><b>Redemption Procedure</b></p> | <p>In line with <b>Clause 14</b>, a Contributor may redeem its Units on a Dealing Day by submitting the duly completed and signed exit forms.</p> <p>Units will be redeemed at the NAV applicable on the Dealing Day on which they are redeemed.</p> <p>Any assets or monies to be distributed pursuant to redemption shall be distributed to the Contributor within 30 (thirty) days from the Dealing Day.</p> <p>The Investment Manager shall be entitled to deduct from the Distributable Proceeds payable to the Contributor such costs, expenses, fees including the Redemption Fees, Taxes (if any), amount towards reserve for Taxes and charges including but not limited to any liquidated damages as may be determined by the Investment Manager to be payable by the Contributor. Any Taxes discharged by the Fund shall be done considering the permanent account number ("<b>PAN</b>") of the Fund and not of the Unitholders.</p>  |

|            |  |   |
|------------|--|---|
|            |  | <p>Upon the redemption of Units, the Unitholder shall cease to be entitled to any rights in respect of such Units redeemed (except always the right to receive a dividend which has been declared thereof prior to such exit being effected) and accordingly its name shall be removed from the register of Unitholders with respect to such Units and the Investment Manager will be required to carry out requisite compliances to that effect. The Investment Manager may, as it deems fit, allocate any or only realized gains in a Financial Year to the redeeming Investor.</p> <p>Payment on exit will normally be made in cheque or by using the National Electronic Funds Transfer system or Real Time Gross Settlement system of the RBI or Society for Worldwide Interbank Financial Telecommunication (SWIFT) or such other means of remittance as permissible under Applicable Law.</p> <p>The Fund or the Investment Manager on the Fund's behalf reserves the right to refuse to make payment of any exit proceeds to a Unitholder if the Fund or the Investment Manager suspects or is advised that the payment on account of exit or distribution of any money to such Unitholder might result in a breach or violation of any applicable anti-money laundering or other laws or regulations, or such refusal is considered necessary or appropriate to ensure the compliance by the Fund or the Investment Manager with any Applicable Laws.</p> <p>The Trustee, the Investment Manager, or their Affiliates or each of their respective managers, officers, directors, shareholders, partners, members, employees, advisors and and/or agents shall not have any personal liability to the Beneficiary. Further, other than as expressly set out in the Fund Documents, none of the aforementioned entities/persons shall be under any obligation to distribute or repay any amount to the Beneficiary, unless at the time of each repayment, all liabilities including Tax liabilities of the Fund to the aforementioned entities/persons other than the Beneficiaries will have been paid, or in good faith determination of the Investment Manager, there shall remain in the property of the Fund sufficient resources to pay such liabilities.</p> <p>Upon the exit from a Beneficial Interest, the Contributor shall cease to be entitled to any rights in respect thereof (except right to receive any distribution which has been declared prior to such exit) and accordingly its name shall be removed from the register of Beneficiaries with respect thereto. The Contributor shall at all times remain liable for its pro rata share of any expenses, obligations and liabilities in relation to such Beneficial Interest including its indemnification obligations, Tax and non-Tax obligations as set out in the <b>Clause 28</b> titled 'Giveback by the Investors'.</p> |
| <p>17.</p> | <p><b>Delay / Suspension of Redemption and / or Subscription</b></p> | <p>The Investment Manager may suspend/delay the determination of the NAV and the issue and exit of Units during whole or any part of a period if any one or more of the below circumstances occur:</p>  |

|  |  |
|--|--|
|  | <p>(i) During which any of the principal stock exchanges or markets of which any substantial portion of the investments of the Fund are quoted is closed otherwise than for ordinary holidays, or during which dealings therein are restricted or suspended; or</p> <p>(ii) when circumstances exist as a result of which in the sole opinion of the Investment Manager, it is not reasonably practicable to dispose of investments or as a result of which any such disposal would be materially prejudicial to the Unitholders; or</p> <p>(iii) any breakdown in the means of communication normally employed in determining the price or value of any of the investments or the current price or values on any stock exchange or market; or</p> <p>(iv) any period when the NAV of the particular Class/Subclass of Units of the Fund may not be determined accurately or otherwise; or</p> <p>(v) when the Investment Manager is of the opinion that a change or adoption of any law, rule or regulation by any governmental authority, central bank or other regulatory agency or any directive or request issued by any such body imposes restrictions on the sale or acquisition or transfer of investments; or</p> <p>(vi) when, as a result of political, economic, military or monetary events or any circumstances outside the control, responsibility and power of the Investment Manager, including without limitation, delay in settlement or registration of securities transactions, the disposal of the assets of a Class is not reasonably practicable without materially and adversely affecting and prejudicing the interest of continuing Unitholders or if in the opinion of the Investment Manager, a fair price cannot be calculated for the assets of the Class; or</p> <p>(vii) when by reason of voluntary or involuntary liquidation or bankruptcy or insolvency or similar proceedings, the Fund's investments are affected or in events which results in the investments being nationalized, expropriated or otherwise required to be transferred to any government agency, authority or entity occurs; or</p> <p>(viii) in any other period when the Investment Manager, at its discretion, determines it to be in the interest of the Unitholders.</p> <p>Notwithstanding anything stated above, delay or suspension of subscription and / or redemption of Units shall be done by Investment Manager/Trustee only in exceptional circumstances wherein such suspension is in the interest of the Unitholders or if the suspension is required under any Applicable Law or force majeure or imposed by any regulatory authority.</p> <p>In the event that there is a delay/ suspension of the determination of the NAV of a Class/Subclass on any Dealing Day, the subscription and / or redemption of Units on such Dealing Day/Exit Day, as maybe applicable, shall also be suspended. Notwithstanding anything stated</p> |
|--|--|

|            |   |   |
|------------|---|---|
|            |   | <p>in this Offer Document, during the suspension of the exits, the Investment Manager shall not accept new subscriptions.</p> <p>Subscription and exit forms may be withdrawn at any time while the calculations of the NAV of such Class are suspended. If not so withdrawn, such requests shall be carried forward to the first Dealing Day on which the determination of the NAV of such Class shall have resumed.</p> <p>The decision by the Investment Manager to suspend exits, in particular the reasons for the suspension and the planned actions shall be appropriately documented and communicated to IFSCA and to the Unitholders. The suspension shall be regularly reviewed by the Investment Manager. The Investment Manager shall take all necessary steps in order to resume normal operations as soon as possible having regard to the interest of Unitholders: The Investment Manager shall keep IFSCA and Unitholders informed about the actions undertaken by the Investment Manager throughout the period of suspension. The decision to resume normal operations shall also be communicated to the regulator and the Unitholders as soon as possible.</p>  |
| <p>18.</p> | <p><b>Distribution Investors to</b></p> | <p>Income and assets held or received by the Fund and available to the Fund may be distributed by the Investment Manager in its sole discretion after satisfying, (i) any Fund Expenses and any other fees, costs and expenses payable pursuant to the Fund Documents, (ii) Tax liabilities required to be discharged by the Fund including in relation to Portfolio Investment or Contributors; (iii) prudential provisions and appropriate reserves (including Tax liabilities, if any) as contemplated in the Fund Documents; and (iv) the re-investment rights contemplated in this Offer Document (“<b>Distributable Proceeds</b>”).</p> <p>The Distributable Proceeds so determined by the Investment Manager to be available for distribution will be allocated by the Investment Manager and distributed among the Unitholders in their respective Percentage Interest in the Fund.</p> <p>“<b>Percentage Interest</b>” means, with respect to each Unitholder, the ratio of the NAV per unit of such Unitholder to the aggregate NAV of all the Unitholders.</p> <p>All Taxes, duties, and other charges/levies, if any, paid /payable in connection with the income from Portfolio Investments qua each Beneficiary’s respective holding of per Unit of Beneficial Interest will be paid / payable / provided for by the Trustee and/or Investment Manager. Any such Taxes/ duties/ charges/ levies suffered or paid by the Fund on its own account or set aside as provision or reserves by the Trustee and/or Investment Manager qua each Beneficiary’s respective holding of Beneficial Interest in the Fund as per provisions of Applicable law will be deemed to form part of Distributable Proceeds payable to any Beneficiary as on date when such Taxes/ duties/ charges/ levies are deducted or paid or set aside, as the case may be.</p> |

| 19.         | <b>Management Fees</b>  | <p>The Investment Manager will be entitled to receive an annual management fee from the Fund as follows:</p> <table border="1" data-bbox="564 297 1380 477"> <thead> <tr> <th>Share Class</th> <th>Management Fee</th> </tr> </thead> <tbody> <tr> <td>Direct</td> <td>0.20%</td> </tr> <tr> <td>Regular</td> <td>1.50%</td> </tr> </tbody> </table> <p>The Management Fee shall accrue on a daily basis on the average NAV of the Units, payable monthly or at such other intervals as may be decided by the Investment Manager (in arrears) ("<b>Management Fee</b>").</p> <p>The Management Fee will accrue from the earlier of the (i) date of allotment of the Units; or (ii) the date of NFO period, up to the date when the relevant Unit(s) are redeemed.</p> <p>The Management Fee payable to the Investment Manager shall be exclusive of all applicable Taxes, cesses and levies including GST or value added tax (together with surcharge or cess as may be applicable) leviable on such Management Fee (other than income tax, withholding Tax including any Tax collected at source) and such Taxes, levies, surcharges or cess as may be applicable shall be borne by the Fund. Accordingly, Management Fee ultimately payable to the Investment Manager shall comprise the amount stated in the table above, plus any such Taxes, levies, surcharges or cess as may be applicable. In the event any such Taxes, levies, surcharges or cess as may be applicable are required to be withheld or deducted from the Management Fee, the Management Fee shall be increased to ensure that the Investment Manager receives an amount equal to the Management Fee stated in the table above.</p> <p>The Contributors shall also be indirectly liable to bear the underlying expenses of the Underlying Funds (which shall be charged pursuant to the terms of the scheme information documents of the respective Underlying Funds).</p> <p>The Management Fee may be paid out of income and assets held or received by the Fund and, to the extent necessary, from Capital Contributions.</p> <p>For a detailed tabular example on how the Management Fee would be charged, please refer to "<b>SECTION XI: ILLUSTRATION OF FEES AND EXPENSES</b>".</p> | Share Class | Management Fee | Direct | 0.20% | Regular | 1.50% |
|-------------|-------------------------|---|-------------|----------------|--------|-------|---------|-------|
| Share Class | Management Fee          |   |             |                |        |       |         |       |
| Direct      | 0.20%                   |   |             |                |        |       |         |       |
| Regular     | 1.50%                   |   |             |                |        |       |         |       |
| 20.         | <b>Trusteeship Fees</b> | <p>For acting as the Trustee of the Fund and discharging its functions and responsibilities as the Trustee the Trustee, the Trustee shall be entitled to receive from the Fund an annual trustee fee as may be agreed from time to time between the Trustee and the Investment Manager and notified to the Contributors) as agreed in writing between the Investment Manager and the Trustee ("<b>Trusteeship Fees</b>").</p>   |             |                |        |       |         |       |

|     |                                |   |
|-----|--------------------------------|---|
|     |                                | <p>In addition, subject to withholding Taxes, the Trustee shall be entitled to recover from the Fund any:</p> <p>(i) Tax or duty (other than income tax) including any withholding Tax (including any Tax collected at source) which is, or may become, leviable under the Applicable Law on the fee payable to the Trustee by the Fund; and</p> <p>(ii) expenses incurred by the Trustee for and on behalf of the Fund.</p>  |
| 21. | <b>Distribution Commission</b> | <p>The Investment Manager may use the services of distributors, arrangers, registered distributors under the CMI Regulations or placement agents ("<b>Placement Agents</b>") from time to time, to source investors. Such Placement Agents may charge a fee, which may be agreed between the relevant Placement Agent and the Investment Manager. The fee charged in relation to the services of the Placement Agents will not be charged to the Fund or the Contributors.</p>  |
| 22. | <b>Expenses</b>                | <p><b><u>Operating Expenses</u></b></p> <p>The Fund shall pay all Operating Expenses from Capital Contributions, from the current income of the Fund, from Portfolio Investments and/or Temporary Investments or from the reserves and funds on account of the Fund. The Operating Expenses will be borne by the Fund and allocated to the Unitholders per annum of the average daily NAV.</p> <p>The term "<b>Operating Expenses</b>" means fees, costs, expenses and other liabilities related to establishment, operations and/or activities of the Fund including:</p> <p>(a) Expenses incurred in the operation of the Fund;</p> <p>(b) Statutory, legal, accounting audit, compliance audit, consulting, valuation, any other third-party fees and operating expenses related to the Fund and other professional fees;</p> <p>(c) Expense incurred by the Fund for collection of funds, including stamp duty;</p> <p>(d) Banking, registration, qualification, depository and similar fees or commissions;</p> <p>(e) Transfer, capital and other taxes, duties and costs incurred in acquiring, holding, selling or otherwise disposing of the Fund's assets and other statutory expenses;</p> <p>(f) Costs of financial statements and other reports (including reports to Unitholders) and meetings of the Investment Manager;</p> <p>(g) Interest on borrowings;</p> <p>(h) Fund Administration Charges</p> <p>(i) Depository charges;</p> <p>(j) Custodian charges (volume based);</p> <p>(k) Expenses in connection with meetings of the Unitholders (travel, accommodation and out-of-pocket expenses of Unitholders will be borne by themselves);</p> |

|  |  |
|--|--|
|  | <p>(l) Expenses associated with maintenance of books of accounts and other records of the Fund;</p> <p>(m) Trusteeship Fees;</p> <p>(n) Administration, communication, advertising, promotional, operating, and transactional expenses (including bank charges) incurred by the Fund;</p> <p>(o) Fees payable to banks, merchant banks and any consultants for providing services to the Fund;</p> <p>(p) Fees payable to advisors or members of any board or committee of the Investment Manager/Fund;</p> <p>(q) Proportionate liquidation expenses of the Trust and Fund; and</p> <p>(r) All other costs, expenses, charges, levies, duties, administrative, statutory, revenue levies and other incidental costs, fees, expenses not specifically covered above arising out of or in the course of managing or operating the Fund.</p> <p>All Operating Expenses will be borne by the Fund on actuals, subject to a cap of 0.25% (zero point two five per cent) per annum (plus any applicable goods and service tax and other statutory charges payable thereon, if applicable) on the average AUM of the Fund. It is clarified that any Taxes, indemnification obligations, Management Fee, Performance Fee, Other Expenses, litigation expenses and any other extraordinary and non-recurring expenses shall be charged on actuals over and above the Operating Expenses.</p> <p>For avoidance of doubt, the Operating Expenses shall be borne by the Fund, whether incurred directly by the Fund or by the Investment Manager for and on behalf of the Fund. Any such costs and expenses incurred by the Investment Manager shall be reimbursable by the Fund to the Investment Manager.</p> <p>The Operating Expenses shall be exclusive of all applicable Taxes and levies, if any, leviable on such Operating Expenses and the same shall be borne by the Fund and allocated to the holders, as applicable.</p> <p>The Investment Manager will have the discretion to reduce or waive the Operating Expenses payable by Unitholders. It is clarified that such reduction or waiver shall not impact any other Investor in a negative manner and any amount arising out of such reduction or waiver shall be borne by the Investment Manager.</p> <p>For a detailed tabular example on how the Operating Expenses would be charged and returned, please refer to <b>“SECTION XI: ILLUSTRATION OF FEES AND EXPENSES”</b>.</p> <p><b><u>Set-up Expenses:</u></b></p> <p>The set-up expenses comprising of registration expenses, fees to consultants /legal counsel / service providers in relation to setting up of the Trust and registration as Retails Scheme, stamp duty and consultant fee in relation of execution of Indenture and Investment Management Agreement and such other costs directly attributable to the establishment of the Trust and Fund and obtaining various</p> |
|--|--|

|     |   |   |
|-----|---|---|
|     |   | <p>licenses, approvals and registrations, shall be borne by the Investment Manager ("<b>Set-up Expenses</b>"). No Set-up Expenses shall be charged to the Fund.</p> <p><b><u>Other Expenses</u></b></p> <p>In addition to the Operating Expenses and Set-up Expenses, the Fund will be responsible for all costs and expenses at actuals and attributable to the Unitholders, related to its own operations whether incurred directly by the Fund or by the Trustee or the Investment Manager for and on behalf of the Fund ("<b>Other Expenses</b>"), including, without limitation:</p> <p>i. <b><u>Trading Expenses:</u></b><br/>The trading expenses of the Fund will be borne by the Fund on actuals and allocated to Units ("<b>Trading Expenses</b>"). The Trading Expenses shall, inter alia, consist of the following:</p> <ul style="list-style-type: none"> <li>• Stamp duty charges;</li> <li>• Brokerage charges;</li> <li>• Securities Transaction Taxes;</li> <li>• Commodities Transaction Tax; and</li> <li>• Costs and charges as imposed by stock exchanges.</li> <li>• Such other expenses as may be applicable from time to time</li> </ul> <p>ii. Taxes (excluding direct tax) and other governmental charges levied against the Fund;</p> <p>iii. Expenses incurred in connection with any indemnification obligations;</p> <p>iv. Any expenses directly attributable to buy and sell of the Fund Investments (such as investment banker's expenses); and</p> <p>v. Any litigation and any other extraordinary and non-recurring expenses.</p> <p><b><u>Expenses of Underlying Fund</u></b></p> <p>In addition to the aforementioned expenses, as an investor in the Underlying Fund, the Fund will be subject to its pro rata share of the Underlying Fund expenses. Please refer to <b>Annexure I: Key Terms of the Underlying Funds</b> for further details on the expenses of the Underlying Fund. Further, please refer to "<b>Section XIV: SUMMARY OF CUMULATIVE FEES AND EXPENSES</b>" for details on the expenses charged to the Contributors in relation to the Underlying Funds.</p> |
| 23. | <b>Expenses of the Investment Manager</b> | <p>The Investment Manager will be responsible for all its normal operational and administrative expenses and make its own provision for the same including the following:</p> <p>(a) Cost of office space;</p> <p>(b) Salary expense of the personnel;</p>  |

|            |  |   |
|------------|--|---|
|            |  | <p>(c) Cost of office equipment and maintenance;</p> <p>(d) Cost of regulatory compliance and reporting;</p> <p>(e) Cost of preparation of tax returns of the Investment Manager; and</p> <p>(f) Such other expenses as may be applicable from time to time</p>   |
| <p>24.</p> | <p><b>Transfer and of Transmission Units</b></p> | <p>Unitholders are not permitted to solicit or transfer/pledge any of their Units, interests, rights or obligations with regard to the Fund, unless undertaken in the manner specified by the Investment Manager and would be subject to the provisions of the Indenture and their respective Application Forms.</p> <p>The Unitholders may transfer/pledge their Units, rights or obligation with regard to the Fund to a transferee/pledgee subject to the following requirements:</p> <ol style="list-style-type: none"> <li>a. The proposed transferee/pledgee is an Eligible Person;</li> <li>b. The proposed transfer/pledge shall be subject to execution of necessary documentation by transferee/pledgee and transferor/pledger as may be stipulated/prescribed/required by the Investment Manager; and</li> <li>c. The proposed transfer/pledge will not contravene any Applicable Law or policy of the Government or otherwise is not prejudicial to the interests of the Trust/Fund.</li> </ol> <p>The Unitholder shall intimate the Investment Manager of their intention to transfer/pledge the Units and shall share such information of the proposed transferee/pledgee as may reasonably be required by the Investment Manager to determine eligibility of the proposed transferee/pledgee. In the event of transfer of Units /s by a Unitholder, the new Unitholder shall execute a deed of adherence acknowledging to be bound by the terms and conditions of the Fund Documents, in accordance with the form specified in the Application Form. Subject to Applicable Laws, costs and duties (including stamp duty) with respect to such deed of adherence shall be borne by the new Unitholder. Any Tax liability or obligation arising from such transfer shall be the responsibility of the transferor/transferee. In addition, Unitholders may not transfer any of their Units, rights or obligations with regard to the Fund except as may be provided under the Applicable Laws.</p> <p><b><u>Death of a Unitholder:</u></b></p> <p>In the event of the death of a Unitholder ("<b>Deceased Unitholder</b>") the Investment Manager may, in its discretion, take any action in respect of the Units of such Deceased Unitholder on equitable grounds subject to compliance with the procedural requirements of the Investment Manager including execution of such necessary documentation as may be prescribed by the Investment Manager. Such actions shall include but not be limited to permitting the</p> |

|     |                        |  |
|-----|------------------------|--|
|     |                        | <p>successor of the Deceased Unitholder to substitute the Deceased Unitholder in the Fund by transmission of the Units; providing an exit in respect of the Units of such Deceased Unitholder; exempting from any penal actions due to default towards the Fund, etc.</p> <p>Further, in case a nominee has been notified by the Deceased Unitholder to the Investment Manager before his/her death, then such nominee shall be deemed to be the successor of the Deceased Unitholder, subject to compliance with the procedural requirements of the Investment Manager including execution of such necessary documentation as may be prescribed by the Investment Manager in the Fund Documents. Subject to Applicable Laws, costs and duties (including stamp duty) with respect to execution of such documentation shall be borne by the nominee.</p> <p>There would be a maximum of 2 joint holders allowed in the Fund. It is hereby clarified the surviving Investor shall be deemed to be the sole Investor on the demise of another Investor.</p> <p>Further, it is hereby clarified that any actions by the Investment Manager as stated above on death of a Unitholder, shall constitute full and valid discharge of the Trustee and/or Investment Manager and/or the Fund of any liability towards the legal heirs of the Deceased Unitholder.</p>  |
| 25. | <b>Indemnification</b> | <p>The Fund and each Unitholder will indemnify the (i) Investment Manager, Settlor, Trustee and any of their respective officers, directors, partners, shareholders, employees and agents, (ii) members of any board or committee of the Investment Manager; contemplated in the Fund Documents or any other party as may be decided by the Investment Manager in consultation with the members of such board or committee ("<b>Indemnified Persons</b>") against any and all claims, losses, liabilities including Tax liabilities, costs, damages, expenses including legal fees, and amounts paid as settlement claim incurred by them or likely to be incurred or suffered by them by reason of their association with the Fund ("<b>Losses</b>") except to the extent such Losses resulted from the Indemnified Person's Malfeasance. Please find below various illustrations of when an indemnity may be invoked:</p> <p>A. The Investment Manager/ Sponsors while carrying out its day to day functioning on behalf of the Fund, may face litigations, receive notices, face litigations by counterparties in terms of investment/third party contracts entered on behalf of the Fund etc.</p> <p>B. There may be practical scenarios whereby the Investment Manager/ Sponsors, including the members of any board or committee of the Investment Manager, may be made a party in a litigation/proceedings initiated/instituted by any Unitholder, third party service providers, any statutory body etc. and in such</p> |

|     |  |  |
|-----|--|--|
|     |  | <p>matters the legal costs, expenses and other related costs will have to be recovered from the Fund.</p> <p>C. Where due to the complex nature of the Tax implications on investments/divestments by the Fund, there is ambiguity as to the applicable Tax and the Investment Manager proceeds basis an external tax opinion, and where later a contrary position is adopted by the Tax office resulting in any penalty in the hands of the Investment Manager, then the Investment Manager shall be entitled to seek indemnity for the same from the Fund.</p> <p>In the above illustrative scenarios an indemnity needs to be provided by the Fund to the Indemnified Persons against any claims, losses, liabilities including Tax liabilities, costs, damages, expenses including legal fees, and amounts paid as settlement claim incurred by them by reason of their association with the Fund. However, any Losses suffered by the Indemnified Persons shall not be indemnifiable if such Losses arise out of Malfeasance.</p> <p>The term Malfeasance means, with respect to any Person, any act or omission which constitutes fraud or willful misconduct as decided by a final non-appealable order of the highest court of competent jurisdiction.</p> |
| 26. | <b>Reinvestments</b>                         | <p>The Investment Manager, during the existence of the Fund, shall be entitled to retain or recall for reinvestment any amounts received by the Fund from any investment.</p> <p>It is hereby clarified that re-investment shall be made by the Fund only after discharge of Tax liabilities including withholding Tax liabilities, if any and towards expenses (if any) due of the Fund and amount, if any, to be set aside for the purposes of reserves created by the Fund.</p>   |
| 27. | <b>Temporary deployment of surplus funds</b> | <p>Subject to the Applicable Law, the Fund may invest un-invested portion of the Capital Contributions in certificates of deposit, units of investment schemes such as overnight, liquid or money market schemes, money market instruments, bank deposits, currency instruments and other fixed income securities or any other securities or financial assets or instruments as may be specified by IFSCA (“<b>Temporary Investments</b>”) in accordance with Applicable Law and the Fund Documents. Such Temporary Investments may be made in instruments/ products issued/ managed by the Investment Manager, provided however, that such investments will be made on an arm’s length basis.</p> <p>The distribution of income from Temporary Investments will be made in accordance with the <b>Clause 18</b> above.</p>  |
| 28. | <b>Giveback by the Investors</b>             | <p>The Investment Manager may require a Contributor to return any distributions made to such Contributor for the purpose of meeting such Contributor’s <i>pro rata</i> share of any obligations that arise on the Fund (including indemnification obligations) or liabilities (including Tax and contingent liabilities) or the Fund’s obligations, in a manner provided in the Fund Documents. The obligation to return</p>   |

|     |                            |  |
|-----|----------------------------|--|
|     |                            | <p>distributions may also continue to apply after the termination or dissolution of the Fund, by providing a notice to the Contributors for the same.</p> <p>If the Contributor pays an amount in discharge of the Contributor’s giveback obligations under this clause in respect of any identified obligation, liability including Tax liabilities or claim (“<b>Identified Claim</b>”), and if the Fund subsequently recovers such amount from a third party under a claim in respect of such Identified Claim, then the Fund shall pay to Contributor an amount equal to the sum recovered by the Fund from the third party in respect of such Identified Claim, subject to a maximum of an amount equal to the amount paid by the Contributor to the Fund in discharge of its giveback obligations in respect of such Identified Claim, net of any Taxes and any costs incurred by or on behalf of the Fund in recovering such sum from the third party.</p> <p>The Trustee shall also have powers to seek such documentation including copy of Tax returns, Tax assessment documents and such other Tax related records of the Beneficiaries at any stage, if such documents are required by any Tax authorities in connection with Tax assessments or inquiries with respect to the Fund.</p> <p>Pursuant to any giveback obligation under this <b>Clause 28</b>, the Investment Manager or the Trustee in consultation with the Investment Manager, shall endeavour to notify the Contributors within a reasonable period of time as may be determined by the Investment Manager in its sole discretion, prior to such giveback obligation and provide details regarding the same.</p> |
| 29. | <b>Successor funds</b>     | <p>The Investment Manager can set up subsequent funds with similar or different investment strategies which may be called successor funds, under the same Trust or separate vehicle in accordance with the Applicable Laws. Such successor funds may be launched during the term of the Fund or post the termination of the Fund.</p>  |
| 30. | <b>Currency principles</b> | <ul style="list-style-type: none"> <li>• Functional currency of the Fund: USD</li> <li>• Currency for redemptions: USD</li> <li>• Currency for making capital contributions: USD</li> </ul>  |
| 31. | <b>Reporting</b>           | <ol style="list-style-type: none"> <li>a) Net Asset Value of the Units shall be disclosed to the Unitholders on a daily basis;</li> <li>b) A half-yearly report to IFSCA comprising of i) quantitative information about the fund management operations of the Investment Manager and ii) a signed Compliance Report</li> <li>c) such other additional reporting as may be decided by the Investment Manager or by the FM Regulations from time to time.</li> </ol> <p>All the above referred reports/information shall be made available on website/platform designated by the Investment Manager or sent electronically by e-mail, unless otherwise specified by the Unitholder.</p>   |

|     |                 |   |
|-----|-----------------|---|
|     |                 | <p>The Investment Manager in accordance with the Application Form, shall deliver to each Unitholder the Statement of Accounts, evidencing the number of Units held by the Unitholder.</p> <p>The Investment Manager will file such reports to IFSCA as required under the FM Regulations.</p> <p>The Investment Manager shall provide for such additional reports that it may deem necessary for the benefit of the Contributor.</p>  |
| 32. | <b>Taxation</b> | <p>The Fund is entitled to withhold from any investment proceeds, amounts necessary to pay Taxes and to create, at the discretion of the Investment Manager and/or Trustee (in consultation with the Investment Manager), appropriate provisions for expenses and liabilities of the Fund, as well as for any required Tax withholdings or provisions for Taxes. Any income-Tax withholding, income-tax to be paid or chargeable, 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 Contributor. Such Tax shall not appear in Form 26AS of the Contributor. In case of change in the provisions of the ITA requiring the Fund to withhold income-Tax against any accretion or distribution of income or proceeds to the Contributors, the Fund shall withhold Tax at the rates prescribed under the ITA and deposit the same to the credit of PAN of the Contributors, if required under the ITA.</p> <p>All taxes, duties and other charges/ levies, if any, payable in connection with the gains from Portfolio Investments in respect of each Contributor’s respective holding of Beneficial Interest shall be paid by the Trustee in its capacity as a representative assessee or otherwise, on behalf of the Fund in consultation with the Investment Manager and shall be taken into account while calculating the NAV. Such taxes, duties, charges shall be deemed to form part of the distribution mechanism under the respective sub clauses to Contributor as on date when such Taxes/ duties/ charges/ levies are levied or paid or set aside, as the case may be.</p> <p>The Trustee shall also have powers to seek such documentation including copy of Tax returns, Tax assessment documents and such other Tax related records of the Contributors at any stage, if such documents are required by any Tax authorities in connection with Tax assessments or inquiries with respect to the Fund.</p> <p>A summary of certain principal tax consequences applicable to the Fund is set forth in “<b>SECTION X: LEGAL, REGULATORY AND TAX CONSIDERATIONS</b>” of the Offer Document.</p> <p>In view of the particularised nature of tax consequences, each prospective Contributor is advised to consult its own tax advisor with respect to the specific income or other tax consequences applicable to them as a result of an investment in the Fund.</p> |

|     |   |   |
|-----|---|---|
| 33. | <b>Fund Documents</b>   | The Indenture, the Investment Management Agreement, the Offer Document and the Application Form for the Fund shall constitute the Fund Documents.   |
| 34. | <b>Listing</b>  | <p>Subject to the FM Regulations and other Applicable Law, the Investment Manager may seek to list the Units. In the event of a listing, the Investment Manager will be responsible for managing the listing in accordance with the FM Regulations.</p> <p>All costs and expenses on listing and for managing the listing will be borne by the Fund.</p>  |
| 35. | <b>Amendments and waivers</b>   | <p>The Investment Manager may from time to time make any general amendment to this Offer Document, including amendments to the investment strategy, process and restrictions, as it considers necessary or desirable, provided however, the amendment process will be specified by the Investment Manager keeping in mind the requirements under the FM Regulations. Any amendments and waivers to the Fund Documents will be as provided in the respective Fund Documents.</p> <p>All laws and regulations applicable to Fund's activities, may, at any time be amended, modified, repealed or replaced in a manner adverse or favorable to the interests of the Unitholders. The Investment Manager shall carry out necessary amendments to any of the Fund Documents to conform to such modifications in Applicable Law. The above illustration is merely indicative in nature and should not be construed as an exhaustive list of scenarios during which this Offer Document may be amended.</p>                                 |
| 36. | <b>Confidentiality</b>  | The Contributors will be required to keep confidential any information regarding the Fund, the Investment Manager, the Trustee and their Affiliates, Portfolio Investments, and Portfolio Entities, received by such Contributor pursuant to the Application Form or other Fund Documents, as a result of its status as a Contributor, except as otherwise required under Applicable Law, or as otherwise permitted by the Investment Manager.  |
| 37. | <b>Investor's Personal Information Disclosure Personal Information To Third Parties</b> | The Investment Manager is authorized to collect information/relevant KYC documents relating to Investor(s) in connection with the KYC process of Investor(s) and in connection with the transactions executed by such Investor(s). The Fund / Trustee/ Investment Manager recognizes the importance of protecting the Personal Information of its Investor(s) and the documents so furnished and have established policies and procedures in place for appropriate handling and for maintaining confidentiality and secrecy of the Personal Information of its Investor(s) and the KYC documents. The Investment Manager shall not divulge to anybody, either orally or in writing, directly or indirectly, any confidential information about its clients/investors, which has come to its knowledge, without taking prior permission of its clients/investors except where such disclosures are required to be made in compliance with any law for the time being in force and is in line. The Personal Information provided in the |

|  |   |
|--|---|
|  | <p>scheme application form/s, any transaction document and/or provided by Investor(s) shall be governed by the terms of the Privacy Policy as displayed on the website <a href="http://www.sundarammutual.com">www.sundarammutual.com</a> (“Site”). By subscribing to the Unit/s of the Scheme/s the Investor(s) are deemed to have consented for the usage of the Personal Information as stated herein and in the Privacy Policy.</p> <p>Personal Information collected by the Investment Manager in the physical form and through the Site may be converted and stored in electronic form by the Investment Manager and/or its Registrar, KFin Technologies Ltd at its sole discretion for the purposes as set out in this Document. Personal Information of an Investor, shall mean such information that is of a confidential nature and may include any information that relates to a natural person, which, either directly or indirectly, is capable of identifying such Investor. The type of Personal Information collected from an Investor shall include, but may not be limited to, full name, address, telephone number, e-mail address and any other information as may be required by the Investment Manager and/ or its Registrar from time to time in order to provide services to the Investor(s).The Investment Manager reserves the right to use the Personal Information and to share/disclose the same with third parties as required to discharge its obligation as Investment Manager.</p> <p>Notwithstanding anything contained herein, the Investment Manager may also share, disclose, or remit in any form, mode or manner, all/any of the Personal Information collected from the Investor(s), including all changes and updates thereto, as and when provided, with any Indian or foreign governmental authority including but not limited to the IFSCA, RBI, SEBI, Income Tax Authority, Financial Intelligence Unit –India (FIU-IND), or any other judicial and quasi-judicial authorities or investigation agencies, to the extent required by such authority, without any obligation of advising / informing Investors/Unitholder(s) about the same.</p> <p>The Investment Manager may also share/exchange with other registered intermediaries on a reciprocity basis the Personal Information, including information on FATCA/CRS/ UBO and/or any details of transaction(s) undertaken by the Investor(s) for single updation/submission for operational/administrative convenience of the Investment Manager and also to enable the Investment to serve the Unit holder(s) better. These third parties shall be bound by confidentiality arrangements when handling the Investor(s)Personal Information requiring that such information only be used for the limited purpose for which it was shared.</p> <p>The Investment Manager shall not make any disclosures of the Personal Information to any third party for the purpose of marketing their products or services to the Unitholder(s).</p> |
|--|---|

|     |                            |   |
|-----|----------------------------|---|
|     |                            | <p>The Investment Manager may delegate to another entity/ third party service provider including to its Sponsor, its subsidiaries, associates, or any group company of the Sponsor, either established or to be established at a later date (the “<b>Service Providers</b>”), the processing of the Personal Information and/or distributor communications, to the extent permitted by the applicable laws and Regulations.</p> <p>The Investment Manager can also share Investors’ Personal Information with its associates or Group companies of the Sponsor or any other Organizations / Authorities / Bodies for compliance with any group, legal or regulatory requirements, including, but not limited to, compliance with anti-money laundering, sanctions and / or any other financial crime control risk management requirements.</p>  |
| 38. | <b>Tax Advisors</b>        | Lakshmikumaran Sridharan attorneys  |
| 39. | <b>Auditors</b>            | R.G.N. Price & Co. Chartered Accountants Firm Reg No: 002785S Simpsons Building, No. 861, Anna Salai, Chennai - 600002.   |
| 40. | <b>Grievance Redressal</b> | <p>All disputes, differences, claims and questions whatsoever arising from (i) the Agreement between the Contributor and the Investment Manager and (ii) the services to be rendered by the Investment Manager and/or their respective representatives shall be attempted to be resolved by discussions between the Parties and amicable settlement.</p> <p>Investors can lodge any service request or complaints or enquire about NAVs, Unit Holdings, Valuation, etc. through email at <a href="mailto:giftcompliance@sundarammutual.com">giftcompliance@sundarammutual.com</a>.</p> <p>The service representatives may require personal information of the investor for verification of his / her identity in order to protect confidentiality of information.</p> <p>The Investment Manager will endeavour to address investor grievances in an expeditious and effective manner as per the Investment Manager’s internal policy. It will also aim to prevent the occurrence of similar grievances in the future.</p> <p>The Investment Manager shall designate personnel (including a compliant redressal officer and a complaint redressal appellate officer), who shall seek to attend to and address any queries, concerns or grievances from Contributors at the earliest possible opportunity as per the timelines and in accordance with Applicable Law. The Investment Manager shall ensure that this personnel is vested with the necessary authority and independence to handle complaints received from Contributors. Any dispute unresolved by the aforementioned internal grievance redressal mechanism shall be resolved in accordance with the terms of the Application Form.</p> <p>In the event any grievance is not resolved by the compliant redressal officer or a complaint redressal appellate officer to the satisfaction of</p> |

|     |  |   |
|-----|--|---|
|     |  | <p>the Contributor, a Contributor may further share its grievance/complaint with the IFSCA.</p> <p>It is clarified that all disputes relating to the Fund shall, at all times, be resolved in compliance with Applicable Law including the circular issued by IFSCA bearing reference number <i>F. No. IFSCA-LPRA/3/2024-Legal and Regulatory Affairs</i> dated 02 December 2024 on '<i>Complaint Handling and Grievance Redressal by Regulated Entities in the IFSC</i>'.</p>  |
| 41. | <b>Voting Contributors by</b>  | <p>Subject to Applicable Law (including the FM Regulations) all matters requiring approval, consent or a vote of the Contributors shall be determined by the Contributors together representing more than 50% (fifty per cent) of the Capital Contributions unless a matter requires the approval, consent or vote of Contributors together representing at least two-third of the Capital Contributions or 75% (seventy five per cent) of the Capital Contributions ("<b>Super Majority Consent</b>") as per FM Regulations, as the case may be.</p> <p>A Contributor shall be deemed to have approved, consented to or voted in favour of any proposed resolution(s) and/or matter, if any Contributor entitled to vote, approve or consent on such resolution(s) or matter fails to furnish its response, within the time period prescribed in the notice regarding such resolution(s) or matter.</p>  |
| 42. | <b>Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standards (CRS) on Automatic Exchange of Information (AEOI)</b> | <p>FATCA and CRS requirements may require disclosure regarding your investment in the units of the Scheme. The Foreign Accounts Tax Compliance Act is a United States ("<b>US</b>") law aimed at prevention of tax evasion by US citizens and residents ("<b>US Persons</b>") through use of offshore accounts. The FATCA provisions were included in the Hiring Incentive to Restore Employment (HIRE) Act, enacted by the US legislature. FATCA is designed to increase compliance by US taxpayers and is intended to bolster efforts to prevent tax evasion by the US taxpayers with offshore investments.</p> <p>The Government of India and the United States of America (USA) have reached an agreement in substance on the terms of an Inter Governmental Agreement (IGA) to implement FATCA and India is now treated as having an IGA in effect from April 11, 2014. On similar lines the Organization of Economic Development (OECD) along with G-20 countries has released a 'Standard for Automatic Exchange of Financial Account Information in Tax Matters' commonly known as Common Reporting Standard ('CRS'). India is signatory to the Multilateral Competent Authority Agreement (MCAA) for the purposes of CRS. Under FATCA/CRS provisions, Financial Institutions are obligated to obtain information about the financial accounts maintained by investors and report to the local Government/ notified tax authorities. In accordance with FATCA and CRS provisions, the AMC / Mutual Fund is required to undertake due diligence process and identify foreign reportable accounts and collect such information / documentary evidences of the FATCA/CRS status of its investors / Unit holders and disclose such information (through its agents or service providers) as far as may be legally permitted about the holdings/ investment returns to US Internal Revenue Service (IRS)/any</p> |

|  |  |
|--|--|
|  | <p>other foreign government or the Indian Tax Authorities, as the case may be for the purpose of onward transmission to the IRS/ any other foreign government pursuant to the new reporting regime under FATCA/CRS. FATCA/CRS due diligence will be directed at each investor / Unit holder (including joint investor/Unitholder) and on being identified as a reportable person, all the folios will be reported. In case of folios with joint holders, the entire account value of the investment portfolio will be attributable under each such reportable person.</p> <p>An investor / Unit holder will therefore be required to comply with the request of the AMC / Mutual Fund to furnish such information as and when sought by the AMC for the AMC / Mutual Fund to comply with the information reporting requirements stated in IGA/MCAA and circulars issued by SEBI / AMFI in this regard. The information disclosed may include (but is not limited to) the identity of the investors/Unitholder(s) and their direct or indirect beneficiaries, beneficial owners and controlling persons. Investors / Unitholders should consult their own tax advisors regarding FATCA/ CRS requirements with respect to their own status.</p> <p>The IM / Trust / Fund reserves the right to accept/ reject any application/ freeze any folio(s) held directly or beneficially for transactions in the event the applicant/Unitholder(s) fail to furnish the relevant information and/or documentation in accordance with FATCA/CRS provisions and as requested by the IM / Trust / Fund.</p> <p>The application form for FATCA/CRS self-declaration is also available on our website (<a href="http://www.sundarammutual.com">www.sundarammutual.com</a>)</p> |
|--|--|

## VII. DETERMINATION OF THE NET ASSET VALUE OF THE UNITS

This section shall broadly lay down the principles that will be used by the Investment Manager for valuation of the portfolio company which could inter alia include:

### A. Calculation of NAV

The Net Asset Value (NAV) of the Units will be determined daily or as prescribed in the FM Regulations.

The NAV shall be calculated in accordance with the following formula, or such other formula as may be prescribed by IFSC from time to time.

NAV = (Market/Fair value of Scheme's Investments + Receivables + Accrued Income + Other Assets - Accrued Expenses - Payables - Other Liabilities) / (No. of units outstanding under Scheme)

The Investment Manager will calculate and disclose the first NAV of the Share Classes not later than 30 Business Days from the allotment of units of the respective Share Classes. Subsequently, the NAV of the Scheme will be calculated and disclosed as of the close of every Business Day. The NAV may be computed up to four decimal places.

### B. Valuation:

Unit shall be valued based on the last declared net asset value per unit of respective underlying Share Classes.

## VIII. CONFLICTS OF INTEREST

The Fund and the Underlying Funds will be subject to certain conflicts of interest that may arise in relation to the various activities carried out by the Trustee, the Investment Manager, investment team of the Investment Manager and their respective shareholders, affiliate/group entities and their respective directors/partners, officers/employees, agents, and members of any committee of the Fund set up by the Investment Manager, investment management or advisory team of other investments managed or advised now and in the future by the respective parties (collectively, the “Interested Parties”). The Investment Manager maintains and operates effective organizational and administrative arrangements with the view of taking all reasonable steps to identify, continuously monitor and manage conflicts of interest.

Certain 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.

### 1. **Potential sources of conflicts of interests that the Investment Manager envisages during the operations of the Fund, which includes conflicts arising at following levels:**

#### 1.1. **At the level of employee of the management entity**

The Interested Parties and their management personnel will only devote so much of their time to the Fund’s activities as is, in their judgment, 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 amongst the Fund and such other companies, projects and clients. The Interested Parties may provide services to other entities/clients in financial services space and will not work exclusively for the Fund. The Interested Parties shall resolve any such conflict by allocating time (reasonably required in their best judgement) towards their obligations in respect of the Fund and their other responsibilities towards other companies, projects and clients.

#### 1.2. **At the level of service providers of the Fund**

The attorneys, accountants, and other professionals, who perform services for the Fund may, and in some cases do, also perform services for the Interested Parties and their affiliates.

#### 1.3. **At the level of Underlying Funds**

When establishing an investment relationship with the Underlying Funds, the investment team in respect to its / their relationship with managers and sponsors of the Underlying Funds on one hand and the Fund, on the other hand, may face conflicts of interest as they may have an incentive to invest with such managers and sponsors of the Underlying Funds in order to obtain other benefits, such as allocations of opportunities to invest in future funds offered by such managers and sponsors and investments by Underlying Funds.

#### 1.4. **At the level of the Investment Manager**

- *Management Fee*

Management Fee payable by the Fund to the Investment Manager have not been established on the basis of an arm's-length negotiation among the Fund and the Investment Manager. In addition, the existence of Management Fees that the Investment Manager will receive may create an incentive for the Investment Manager to approve and cause the Fund to make more speculative investments than it would otherwise make in the absence of such performance-based compensation. However, the fact that the Distributable Proceeds is ultimately calculated on an aggregate basis across all projects undertaken by the Fund over its life is designed to mitigate this risk.

**1.5. At the level of the Contributor**

The Contributors may have conflicting investment, tax and other interests with respect to their investments in the Fund. The conflicting interests of individual Contributors may relate to or arise from, among other things, the nature of certain Portfolio Investments or the structuring, acquisition or timing of disposition of Portfolio Investments. As a consequence, the Investment Manager may have to resolve such conflicts, among individual Contributors, in a manner that the Investment Manager determines is in the best interests of the Fund as a whole, which may result in a more beneficial outcome for certain Contributors as compared to other Contributors. The Investment Manager shall be under no obligation to consider the particular legal, regulatory, tax or other status of, or to give priority to the interests of any Contributor individually or of any category of Contributors.

**1.6. At the level of members of various governance bodies (as described in the section titled "Governance Structure")**

The members of various governance bodies or Key Managerial Personnel of Investment Manager will only devote so much of their time to the Fund's business as is, in their judgment, reasonably required. Such personnel that work for 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 amongst the Fund and such other companies, projects and clients. Additionally, the Interested Parties may provide services to other entities/clients in financial services space and will not work exclusively for the Fund. The Interested Parties shall resolve any such conflict by allocating time (reasonably required in their best judgement) towards their obligations in respect of the Fund and their other responsibilities towards other companies, projects and clients.

**1.7. Other potential conflicts of interest include:**

- *Investments in Portfolio Entities in which Interested Parties have Interests*

The Fund may participate in Portfolio Entities in which Interested Parties have an existing investment or other interests (including providing debt), which may be on the same terms as the Fund's investment or on different terms. In such cases, there could be a potential conflict between the interests of the Fund and those of the Interested Parties. Without prejudice to the dealing restrictions contained in the paragraph below titled "Proprietary Trades", any of the Interested Parties may deal in the securities/products (including handling assignment for Portfolio Entities/advising-managing any portfolio/fund consisting of such

securities/products etc.) which are/may in future be a part of the Fund's portfolio. The timing/pricing/buy-sell decision under the dealing by such Interested Parties can be different from that of the Fund.

- *Proprietary Trades*

The Investment Manager may carry out proprietary trading activities with the strategy which may be similar or at times different from that of the Fund. Subject to any skin-in the game that the Investment Manager or its affiliate is required to maintain under Applicable Law, the Investment Manager will ensure that no contra trades (opposite trades) are entered into at the same time by the Investment Manager on behalf of the Fund vis-a-vis its own proprietary money.

The Investment Manager and or its affiliates may also carry out broking operations in future and the Fund may avail such broking services.

- *Purchase from and Sale of Investments to Interested Parties*

The Fund may purchase investments from, or sell investments to, the Interested Parties. In such cases, conflicts may arise in determining the price and terms of the sale or purchase as the case may be. The Interested Parties may come into possession of material non-public information and the possession of such information may limit the ability of the Fund to buy or sell a security or otherwise to participate in a potential Portfolio Investment. To mitigate this risk, the Investment Manager shall endeavor to conduct such transaction or arrangements with Interested Parties on arm's length terms.

2. **Methodology proposed to be adopted by the Investment Manager for effective mitigation/resolution of conflicts of interest**

The Investment Manager has adopted, inter alia, certain policies and procedures intended to protect the Fund against adverse consequences arising from potential conflicts of interest.

- (a) The Investment Manager and its directors, officers and agents shall at all times be obligated to exercise a standard of good faith in its dealings with the Fund and the Underlying Funds.
- (b) The Investment Manager will be transparent with respect to conflicts of interest that the Investment Manager determines may have arisen in any transaction (or prospective transaction) between the Investment Manager and/or the Fund and/or a Portfolio Entity).
- (c) The Investment Manager will make efforts to see that any transaction involving a potential conflict of interest will be effected on terms that are not less favourable to the investors in the Fund than if the potential conflict had not existed. The Investment Manager will place significant emphasis on its strong compliance culture, and the efficient operation of systems and controls, to manage issues such as conflicts of interest.
- (d) The Investment Manager will ensure that the interest of all the investors is paramount and all personal interests, relationships or arrangements of the Investment Manager and those of Interested Parties do not work against the investors' interest.

There can be no assurance that any potential or actual conflict of interest will be resolved in favor of the Fund and its Contributors. By making an investment in the Fund, prospective investors are deemed to have acknowledged the existence of the potential and/or actual conflicts of interest set forth above, and to have waived, to the greatest extent permissible under any applicable law, any claim with respect to, or arising from, the existence of any such conflicts.

3. **Disclosure to the investor about the risk that arises out of such conflicts of interest and their acknowledgement to existence of such risk**

By subscribing to Units in the Fund, each Contributor shall be deemed to have acknowledged the existence of such potential or actual conflicts of interest, to have accepted that such conflicts will be dealt with in the manner described in this section and in the Fund Documents, and to have waived any claim with respect to the existence of such conflicts or the manner in which such conflicts may be resolved.

## IX. RISK FACTORS

*THE FOLLOWING IS A BRIEF DESCRIPTION OF CERTAIN FACTORS WHICH PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER ALONG WITH OTHER MATTERS DISCUSSED ELSEWHERE IN THIS OFFER DOCUMENT, PRIOR TO MAKING AN INVESTMENT DECISION. THE FOLLOWING, HOWEVER, DOES NOT PURPORT TO BE A COMPREHENSIVE SUMMARY OF ALL THE RISKS ASSOCIATED WITH AN INVESTMENT IN THE FUND GENERALLY. RATHER, THE FOLLOWING ARE ONLY CERTAIN SPECIFIC RISKS TO WHICH THE FUND AND THE INVESTORS WILL BE SUBJECT, WHICH PROSPECTIVE INVESTORS SHOULD DISCUSS IN DETAIL WITH THEIR PROFESSIONAL ADVISERS. SPECIFICALLY, PROSPECTIVE INVESTORS ARE ENCOURAGED TO DISCUSS THEIR INDIVIDUAL CIRCUMSTANCES WITH THEIR LEGAL COUNSEL, AND FINANCIAL, ACCOUNTING, REGULATORY AND TAX ADVISERS BEFORE INVESTING IN THE FUND. PROSPECTIVE INVESTORS SHOULD INDEPENDENTLY CONDUCT THEIR OWN DUE DILIGENCE ASSESSMENT OF ANY INVESTMENT IN THE FUND. ALL INVESTMENTS IN SECURITIES PRESENT A RISK OF LOSS OF CAPITAL. NO GUARANTEE OR REPRESENTATION IS MADE THAT THE FUND'S INVESTMENT STRATEGY WILL BE SUCCESSFUL AND NO RETURNS ARE ASSURED.*

*THE UNDERLYING FUNDS MAY BE SUBJECT TO WIDE SWINGS IN VALUE. RETURNS GENERATED FROM THE UNDERLYING FUNDS MAY NOT ADEQUATELY COMPENSATE INVESTORS FOR THE BUSINESS AND FINANCIAL RISKS ASSUMED. MANY UNFORESEEABLE EVENTS, INCLUDING ACTIONS BY VARIOUS GOVERNMENT AGENCIES AND DOMESTIC AND INTERNATIONAL ECONOMIC AND POLITICAL DEVELOPMENTS, MAY CAUSE SHARP MARKET FLUCTUATIONS, WHICH COULD ADVERSELY AFFECT THE FUND'S PERFORMANCE.*

*CONTRIBUTORS SHOULD ONLY INVEST IF THEY ARE WILLING TO UNDERTAKE THE RISKS INVOLVED. THESE RISK FACTORS ARE NOT MEANT TO BE AN EXHAUSTIVE LIST OF ALL POTENTIAL RISKS ASSOCIATED WITH AN INVESTMENT IN THE FUND.*

*PLEASE NOTE THAT RISKS RELATED TO SUSTAINABILITY ARE NOT INCORPORATED IN THE DECISION MAKING PROCESS OF THE FUND BY INVESTMENT MANAGER.*

### **A. RISK RELATED TO THE FUND BEING A FUND OF FUNDS SCHEME**

The Fund primarily intends to invest substantial portion of its assets in 1 (one) Underlying Fund which exposes the Investors to Investment Manager's concentration risk.

While the Fund aims for long term returns, heavy reliance is place on investment in the Underlying Funds, which means Fund's performance is closely tied to the success or failure of the Underlying Fund, potentially magnifying both gains and risks of the Fund.

The Funds performance is highly dependent on the single manager's skill, investment philosophy, and decision-making abilities. Concentrating with one manager increases exposure to the manager's operational environment, including internal controls, compliance procedures, and potential service provider failures. The Fund is also vulnerable if the key personnel(s) of Underlying Fund's management team depart or become unable to perform their roles.

### **B. Risks Related to Underlying Funds and Underlying Fund's Investment Manager**

The Investment Manager will not have any control over the portfolio investments made by the Underlying Funds' investment manager of the Underlying Funds.

Investment management fees will be charged to the Fund by both the Investment Manager and the Underlying Funds' investment manager. As a result, the Fund bears multiple investment management fees, that in the aggregate exceed the fees that would typically be incurred by a

direct investment in a fund managed by a single investment manager. Further, the Fund as an investor in the Underlying Funds, will also be subject to risks and conflicts of interest that such Underlying Funds is subject to.

The Underlying Funds' investment manager is compensated based on the performance of the applicable Underlying Funds. Consequently, the Underlying Funds' investment manager may receive incentive compensation in respect of its Underlying Funds' performance during a period when the Fund's overall capital depreciated.

### C. RISKS RELATED TO INVESTMENTS BY THE UNDERLYING FUNDS

**Nature of Investment:** The Underlying Funds will primarily be investing in securities of Indian companies listed in India. The fluctuation in the market price of securities of an investee company is likely to have a direct bearing on the value of the investments of the Underlying Funds. In addition, the governing bodies of the Indian stock exchanges have from time to time imposed restrictions on trading in securities, limitation on price movements and margin requirements. Furthermore, from time-to-time disputes have occurred between listed companies and stock exchanges and other regulatory bodies, which in some cases may have had a negative effect on market sentiment. There can be no assurance that such problems, which affect the market price and liquidity of securities, will not occur in the future. This risk will also affect the investee companies that expect to be listed on a recognized stock exchange as a means of creating liquidity for the Underlying Funds.

Despite being a long-term focused Underlying Funds, short-term effects such as temporary exchange closures, broker defaults, settlement delays may adversely impact the Fund's realized gains.

#### Risks associated with investments in units of mutual funds

- Investment in the units of the Underlying Funds involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.
- As the price / value / interest rates of the securities in which the Underlying Funds invest fluctuates, the value of the Fund's investment in the Underlying Funds may go up or down.
- The Fund's investment in the Underlying Funds will be subject to market and other risks and there can be no guarantee against loss resulting from an investment in the Underlying Funds nor can there be any assurance that the Underlying Funds' objectives will be achieved.
- The past performance of the Sponsor / AMC / Mutual Fund does not guarantee future performance of the Underlying Funds.
- The name of the Underlying Funds does not in any manner indicate either the quality of the Underlying Funds or its future prospects and returns.
- The sponsor of the Underlying Funds is not responsible or liable for any loss resulting from the operation of the Underlying Funds beyond the initial contribution of INR 1,00,000 (One Lakh - Rupees) made by it towards setting up the Mutual Fund.
- The Underlying Funds is not a guaranteed or assured return scheme.

#### Risk Factors Associated with Equity & Equity related instruments

- The value of the Fund's investments may be affected generally by factors affecting securities markets, such as price and volume volatility in the capital markets, etc.
- Settlement periods and transfer procedures may restrict the liquidity of the investments made by the Fund. The Fund may face liquidity risk or execution risk or redemption risk or the risk of NAV going below par.
- Investments in equity and equity related securities involve a degree of risk and investors should not invest in the Fund unless they can afford to take the risk of losing their investment. The liquidity and valuation of the Underlying Funds' investments due to its holdings of unlisted securities may be affected if they have to be sold prior to the target date for disinvestment.
- Securities which are not quoted on the stock exchanges are inherently illiquid in nature and carry a larger liquidity risk in comparison with securities that are listed on the exchanges or offer other exit options to the investors, including put options. The AMC may choose to invest in unlisted securities that offer attractive yields within the regulatory limit. This may however increase the risk of the portfolio.
- At times, taking benefit of investing in Special Situations may involve certain risks like the promoter may choose not to accept the discovered prices or the Regulatory hurdles may delay any specific corporate action.
- Though the constituent stocks of most indexes are typically liquid, liquidity differs across stocks. Due to the heterogeneity in liquidity in the capital market segment, trades on this segment may not get implemented instantly.

#### **Risks Associated with investing in Debt and Money Market Instruments**

- **Interest rate Risk:** Price of a fixed income instrument generally falls when the interest rates move up and vice-versa. The extent of fall or rise in the prices depends upon the coupon and maturity of the security. It also depends upon the yield level at which the security is being traded. The NAV of the Fund is expected to increase from a fall in interest rates while it would be adversely affected by an increase in the level of interest rates.
- **Credit risk or default Risk:** Credit risk is the risk that the issuer of a debenture/ bond or a money market instrument may default on interest and/or principal payment obligations. Even when there is no default, the price of a security may change with expected changes in the credit rating of the issuer. It is to be noted here that a Government Security is a sovereign security and is the safest. Corporate bonds carry a higher amount of credit risk than Government Securities. Within corporate bonds also there are different levels of safety and a bond rated higher by a particular rating agency is safer than a bond rated lower by the same rating agency.
- **Liquidity & Settlement Risk:** The liquidity of a fixed income security may change, depending on market conditions leading to changes in the liquidity premium attached to the price of such securities. At the time of selling the security, the security can become illiquid, leading to loss in value of the portfolio. Different segments of the financial markets have different settlement cycle/periods and such settlement cycle/periods may be impacted by unforeseen circumstances, leading to Settlement Risk. This can adversely affect the ability of the Fund to swiftly execute trading strategies which can lead to adverse movements in NAV.

- **Reinvestment Risk:** Interest rates may vary from time to time. The rate at which intermediate cash flows are reinvested may differ from the original interest rates on the security, which can affect the total earnings from the security.
- **Performance Risk:** Performance of the Fund may be impacted with changes in factors, which affect the capital market and in particular the debt market.
- **Prepayment Risk:** The Fund may receive payment of monthly cashflows earlier than scheduled, which may result in reinvestment risk.
- **Market Risk:** Lower rated or unrated securities are more likely to react to developments affecting the market as they tend to be more sensitive to changes in economic conditions than higher rated securities.

There can be no assurance that a Fund's investment objectives will be achieved, or that there will be no loss of capital. Investment results may vary substantially on a monthly, quarterly, or annual basis.

#### **Risk factors associated with Derivatives**

Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor. Execution of such strategies depends upon the ability of the Investment Manager to identify such opportunities. Identification and execution of the strategies to be pursued by the fund manager involve uncertainty and decision of fund manager may not always be profitable. No assurance can be given that the fund manager will be able to identify or execute such strategies.

The risks associated with the use of derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments.

Trading in derivatives has the following risks:

- An exposure to derivatives in excess of the hedging requirements can lead to losses.
- An exposure to derivatives, when used for hedging purpose, can also limit the profits from a genuine investment transaction.
- Derivatives carry the risk of adverse changes in the market price.
- Illiquidity Risk i.e. risk that a derivative trade may not be executed or reversed quickly enough at a fair price, due to lack of liquidity in the market.

The Fund may use derivatives instruments like equity futures & options, or other derivative instruments as permitted under the FM Regulations. Usage of derivatives will expose the Fund to liquidity risk, open position risk, and opportunities risk etc. Such risks include the risk of mispricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and indices. In case of the derivative strategies, it may not be possible to square off the cash position against the corresponding derivative position at the exact closing price available in the Value Weighted Average Period. Debt derivatives instruments like interest rate swaps, forward rate agreements or other derivative instruments also involve certain risks.

#### **Risks Associated with exposure in Tri-party Repo**

Risk of exposure in the Tri-party Repo settlement Segment provided by CCIL emanates mainly on two counts –

- Risk of failure by a lender to meet its obligations to make funds available or by a borrower to accept funds by providing adequate security at the settlement of the original trade of lending and borrowing under Tri-party Repo transaction.
- Risk of default by a borrower in repayment.

**Risks Associated with Stock Lending & Short Selling:**

**i) Risks associated With Stock Lending**

The risks in lending portfolio securities, as with other extensions of credit, consist of the failure of another party, in this case the approved intermediary, to comply with the terms of agreement entered into between the lender of securities i.e. the Underlying Funds and the approved intermediary. Such failure to comply can result in the possible loss of rights in the collateral put up by the borrower of the securities, the inability of the approved intermediary to return the securities deposited by the lender and the possible loss of any corporate benefits accruing to the lender from the securities deposited with the approved intermediary. It may be noted that this activity would have the inherent probability of collateral value drastically falling in times of strong downward market trends, rendering the value of collateral inadequate until such time as that diminution in value is replenished by additional security. It is also possible that the borrowing party and/or the approved intermediary may suddenly suffer severe business setback and become unable to honour its commitments. This, along with a simultaneous fall in value of collateral would render potential loss to the Fund. Besides, there can be temporary illiquidity of the securities that are lent out and the Underlying Funds will not be able to sell such lent out securities until they are returned. There is also a possibility of opportunity loss.

**ii) Risks associated with short selling**

The Underlying Funds may enter into short selling transactions, subject to SEBI and RBI regulations in the matter. This will be done if the fund management team is of the view that there exists an opportunity to make trading gains. Calls for short selling will be taken after considering the liquidity, price movement & volatility of the security by the fund management team. There can be a loss in such a transaction if the price of the security goes up instead of falling down.

**Risk factors associated with Repo transactions in Corporate Debt:**

**i) Lending transactions:**

The Underlying Funds may be exposed to counter party risk in case of repo lending transactions in the event of the counterparty failing to honour the repurchase agreement. However, in repo lending transactions, the collateral may be sold and a loss is realized only if the sale price is less than the repo amount. The risk may be further mitigated through over-collateralization (the value of the collateral being more than the repo amount). Further, the liquidation of underlying securities in case of counterparty default would depend on liquidity of the securities and market conditions at that time. It is endeavoured to mitigate the risk by following an appropriate counterparty selection process, which include their credit profile evaluation and over-collateralization to cushion the impact of market risk on sale of underlying security.

**ii) Borrowing transactions:**

In the event of the Underlying Funds being unable to pay back the money to the counterparty as contracted, the counter party may dispose of the assets (as they have sufficient margin). This risk is normally mitigated by better cash flow planning to take care of such repayments. Further, there is also a Credit Risk that the Counterparty may fail to return the security or Interest received on due date. It is endeavoured to mitigate the risk by following an appropriate counterparty selection process, which include their credit profile evaluation.

#### **Risk Factors Associated with Investments in REITs and InvITs:**

- **Market Risk:** REITs and InvITs are volatile and prone to price fluctuations on a daily basis owing to market movements. Investors may note that AMC/Fund Manager's investment decisions may not always be profitable, as actual market movements may be at variance with the anticipated trends. The NAV of the Underlying Funds, and thereby the Fund, is vulnerable to movements in the prices of securities invested by the Underlying Funds, due to various market related factors like changes in the general market conditions, factors and forces affecting capital market, level of interest rates, trading volumes, settlement periods and transfer procedures.
- **Liquidity Risk:** As the liquidity of the investments made by the Underlying Funds could, at times, be restricted by trading volumes and settlement periods, the time taken by the Mutual Fund for liquidating the investments in the Underlying Funds may be high in the event of immediate redemption requirement. Investment in such securities may lead to increase in the Underlying Funds portfolio risk.
- **Reinvestment Risk:** Investments in REITs & InvITs may carry reinvestment risk as there could be repatriation of funds by the Trusts in form of buyback of units or dividend pay-outs, etc. Consequently, the proceeds may get invested in assets providing lower returns.

The above are some of the common risks associated with investments in REITs & InvITs. There can be no assurance that an Underlying Fund's investment objectives will be achieved, or that there will be no loss of capital. Investment results may vary substantially on a monthly, quarterly or annual basis.

#### **Risk Factors Associated with Investments in Foreign Securities**

Investments in International (overseas) securities including Exchange Traded Funds involves increased risk and volatility, not typically associated with domestic investing,

##### **Some of the risk associated are**

- Changes in currency exchange rates
- Foreign government regulations
- Differences in auditing and accounting standards
- Political and economic instability
- Liquidity and volatile prices
- Economic deterioration, and changes in bi-lateral relationships.

The investment by the Underlying Funds in overseas securities and overseas ETFs is subject to compliance with the industry-wide limit as stipulated by RBI/SEBI from time to time. The Underlying Funds may not be able to make investment in overseas securities and overseas ETFs in case of breach of such industry-wide overseas limits. In such a situation, the performance of the Underlying Funds could be affected.

#### **Risk Factors Associated with Investments in Securitised Debt**

Investing in securitized debt carries several risks due to the nature of these instruments. These risks include:

- **Credit Risk:** The underlying assets in securitized debt may suffer from defaults, leading to a loss of principal or interest. The risk is particularly significant if the pool of underlying loans, such as mortgages or consumer loans, experiences high levels of non-payment.
- **Liquidity Risk:** Securitized debt instruments may not be as liquid as other debt securities. The market for these securities can be limited, especially during times of market stress, making it harder to buy or sell them at favorable prices.
- **Prepayment Risk:** Many securitized debt instruments are subject to prepayment risk, meaning that the underlying borrowers may repay their loans earlier than expected. This can result in reinvestment risk, where the returns from the early repayments may be lower than anticipated.
- **Market Risk:** Securitized debt securities are affected by changes in market conditions, such as interest rates or economic factors, which can impact their value and performance.
- **Structural Risk:** Securitized debt involves pooling various assets into a single security, and different tranches (or layers) of the security may carry different risk profiles. Investors in lower-rated tranches may be exposed to higher risk in the event of defaults within the underlying assets.
- **Legal and Regulatory Risk:** Changes in laws or regulations, especially related to the underlying assets (such as mortgages), can impact the performance of securitized debt. Inadequate legal frameworks or enforcement can also affect the recovery in case of defaults.

#### **Risk Factors Associated with Investments in commodities and commodity derivatives**

Investments in commodities and commodity derivatives carry several inherent risks that investors should be aware of.

- One of the primary concerns is market risk, as commodity prices tend to be highly volatile due to factors such as geopolitical events, changes in global demand and supply, weather conditions, and economic policies. This volatility can lead to sharp fluctuations in the Net Asset Value (NAV) of the mutual fund.
- Liquidity risk is another significant factor, especially in certain commodity derivatives that may have limited trading volumes, making it difficult for the fund to enter or exit positions without impacting on market prices.

- Credit or counterparty risk, particularly when dealing with over the counter (OTC) commodity derivatives, where a counterparty may default on its obligations.
- Regulatory risk also plays a crucial role, as changes in rules and guidelines issued by regulatory authorities like SEBI, RBI, or commodity exchanges can affect the fund's investment strategy or restrict certain transactions.
- Basis risk, which arises due to mismatches between spot and futures prices, may lead to ineffective hedging.
- Operational risks such as errors in trading, settlement, or risk management systems can also result in financial losses.
- Pricing risks may emerge from lack of transparency or inefficiencies in the commodity markets, causing discrepancies in the fair valuation of derivatives.
- Legal and taxation risks, including changes in tax treatment of commodities or legal ambiguities, can adversely affect returns.
- In rare cases where physical commodities are involved, risks related to storage, transportation, damage, or theft may also arise.

#### **D. RISKS RELATING TO THE FUND'S INVESTMENT STRATEGY**

The primary investment objective of the Fund is to seek to provide long term capital growth by investing predominantly in Indian mutual funds which belong to mid-cap category.

The Underlying Funds invest predominantly in stocks of medium sized companies (mid-cap stocks) which are likely to have more price volatility and have low trading volumes with high impact cost and bid/ask spreads on a relative basis compared to stock with Large Market Capitalization (Large-Cap). Mid-Cap stock prices also have more sensitivity to changes in economic conditions. Therefore, the risk levels of investing in Mid-cap stocks are more than investing in stocks of large and well-established companies.

Medium sized companies are more likely to lack economies of scale and due to their moderate financial resources, they: 1) may have challenges in accessing and deploying latest modern technologies in their processes, 2) may have challenges in recruiting and retaining top talent, 3) may find it difficult to develop new products 4) may lack breadth and depth of the distribution network for their products or services 5) have limited bargaining power with suppliers of input materials.

Medium Sized companies may find it difficult to raise financial capital for their growth in a cost-efficient manner.

Medium sized companies are mostly closely held by the promoters who still actively run the day-to-day operations of such companies and provide strategic directions.

Many Medium sized companies are not widely tracked by the research analysts and are not widely held by institutional investors. Due to these reasons, in some medium sized companies, corporate governance and transparency levels are below average and may not be on par with large-cap companies. Medium sized companies may not be resilient enough to withstand shocks of business or economic cycles.

The overall risk levels are generally perceived to be inversely proportional to the level of market-capitalization and the risk levels get incrementally higher among Mid-Cap stocks with lower market-capitalization.

#### **E. RISK RELATED TO FUND STRUCTURE**

**Reliance on the Investment Manager:** The Fund will be managed in respect of its investments and divestments exclusively by the Investment Manager and investors generally will not be able to make investment or other decisions. The Fund will be dependent on the business and financial skills of the Investment Manager, its Affiliates and certain other advisors and consultants that the Investment Manager may appoint from time to time to solicit, identify and recommend appropriate investment opportunities. Although the Investment Manager's key personnel will enter into employment arrangements, these employment arrangements or contracts do not ensure that these persons will continue to work for the Investment Manager and consequently loss of their services might adversely affect the activities of the Fund. Each investor must consider in making an investment decision that personnel associated with the Investment Manager or their Affiliates may leave at any time, or, may be terminated at any time, with or without cause, thus potentially adversely affecting the activities of the Fund.

**Allocation of time and resources by members of the Key Managerial Persons:** The Key Managerial Persons is responsible for managing the day-to-day affairs of the Fund. As disclosed under paragraph C of "SECTION V: GOVERNANCE STRUCTURE", the members of the Key Managerial Persons are currently involved in managing and/or advising other funds. Although, it is expected that each of the Key Managerial Persons will devote sufficient time and resources to the Fund as shall be reasonably necessary to conduct the affairs of the Fund in an appropriate manner, each investor must consider that conflicts may arise in allocation of their time and resources to the Fund.

**Reliance on service providers /intermediaries:** The Fund, either directly or through the Trustee or the Investment Manager, as applicable, may engage a variety of service providers, including but not limited to those in the areas of legal, tax, accounting, valuations, custodial services, etc in the manner as provided in the Fund Documents. There can be no assurance that reliance on such service providers for their services (including opinions on specific matters) would be in the best interests of the Fund and its Investment Strategy or objective. In addition, there would be parties, for example custodians, bankers, etc., who would be important to the Fund in its operations. In the event any such custodians, bankers, etc have any adverse development which affects their performance of duties with their clients, or they breach any of the terms of engagement, the Fund might be posed with a risk, which might be significant.

**Indemnification:** The Fund will be required to indemnify the Trustee, the Investment Manager, members of the committees of the Fund, and their respective Affiliates and/or any other persons acting on their behalf for liabilities incurred in connection with the affairs of the Fund. Such liabilities may be material and have an adverse effect on the returns to the investors. For example, in their capacity as directors of Portfolio Companies, the personnel and partners of the Investment Manager and their Affiliates may be subject to derivative or other similar claims brought by shareholders of such companies. Though such risks are expected to be insured against, the indemnification obligations of the Fund would be payable from the assets of the Fund. If the assets of the Fund are insufficient, the Investment Manager may recall distributions previously made to the investors, if any.

**Recourse to the Fund's Assets:** The Fund's assets, including any investments made by the Fund and any funds held by the Trustee on behalf of the Fund, are available to satisfy all liabilities and

other obligations of the Fund. If the Fund becomes subject to liability, parties seeking to have the liability satisfied may have recourse to the Fund's assets generally and may not be limited to any particular asset, such as the asset representing the investment giving rise to the liability. Accordingly, investors could find their interests in the Fund's assets adversely affected by a liability arising out of a Portfolio Investment. To the extent the Fund chooses to use special purposes vehicles for individual transactions or groups of transactions to reduce recourse risk (and it may but will be under no obligation to do so), the autonomy of such entities may be subject to later challenge based on a number of theories, including veil piercing and substantive consolidation.

**Segregation of Assets:** The Trustee and the Investment Manager have a fiduciary duty to ensure segregation of assets of any other funds which are held in trust or may be held so by it from the assets of the Fund. However, it may be possible that in the case of a third party suit or regulatory action against the Trustee or the Investment Manager with respect to the liability of any other such aforementioned fund or under any other circumstances, the Trustee and/or the Investment Manager may not be able to protect the assets of the Fund against such third party suit or regulatory action and would not be able to maintain segregation of assets.

**Lack of Operating History:** The Fund has not commenced operations and therefore has no operating history although it expects to retain the services of personnel with appropriate experience. Accordingly, the Fund will be dependent on the business skills of the Investment Manager. In this regard, please refer to the risk factor titled 'Reliance on the Investment Manager' provided under this "SECTION IX: RISK FACTORS".

**Redemption and Termination of Units:** In the event that an investor fails to meet certain legal or regulatory requirements to which the Fund and/or the Investment Manager is subject, and the Investment Manager determines that the continued holding of a Unit by such investor could have a material adverse effect on the Fund, the Investment Manager may take certain actions to avoid such material adverse effect(s), including the termination or compulsory redemption of such Units.

**Liability for Return of Distributions:** If the Fund is otherwise unable to meet its obligations, the investors may, under Applicable Law and/or Fund Documents, be required to return distributions previously received by them.

**Disclosure of Confidential Information:** The Investment Manager and/or certain investors may be required by law, regulation or otherwise to disclose certain confidential information relating to a Portfolio Investment or the Fund. Such disclosure may affect the ability of the Fund to realize or dispose of such Portfolio Investment or affect the price that the Fund is able to obtain upon any disposition or may otherwise adversely affect the Fund and/or investors in the Fund.

To the extent that the Investment Manager determines that information that a Unitholder would otherwise be entitled to receive could be disclosed by such investor as a result of such Investor being subject to laws in the nature of freedom of information acts, or as a result of it being a public authority or owned by a public authority or subject to public disclosure laws, statutes, statutory instruments, regulations or policies and the disclosure of such information would not be in the best interests of the Fund, the Investment Manager shall have the right not to provide such investor with certain information that such investor would otherwise be entitled to receive or have access to.

**Income taxes of Contributors May Exceed Cash Distributions:** Even if the Fund has income or gains for tax purposes, the Fund will not be obliged to make distributions (or may lack sufficient cash available for distributions) to enable the investors to pay their taxes as a result of such income

or gain allocations. In such event, the investors will have to utilize other resources to satisfy tax liabilities and cannot resort to distributions made by the Fund to assist in satisfying such tax liabilities. Please see “**SECTION X: LEGAL, REGULATORY AND TAX CONSIDERATIONS**” of this Offer Document for additional information.

## F. REGULATORY RISK FACTORS

**Regulatory Framework:** The value and marketability of the Fund’s investments may be affected by changes or developments in the legal and regulatory climate in India. SEBI regulates the securities market in India and legislates from time to time on matters affecting the stock market. Further, securities laws in India are constantly evolving and accordingly, the ability of SEBI to promulgate and enforce rules regulating market practices is uncertain and may negatively impact the Fund’s performance. SEBI has issued regulations that affect investment in India, including regulations on takeovers, preferential allotments of shares and insider trading. The regulations affect the pricing, cost of a transaction and the ability to conduct due diligence. SEBI may make changes to regulations which could affect the ability of the Fund to make or exit investments.

**Legal Considerations:** Many of the fundamental laws in India and IFSC are still developing, which increases the risk of ambiguity and inconsistency in their application, interpretation and enforcement. This risk is additionally increased as adequate procedural safeguards have often not been developed. Due to the developing nature of the Indian legal and regulatory system, laws often refer to regulations which have not yet been introduced, leaving substantial gaps and the regulatory framework is often poorly drafted and incomprehensible. These uncertainties can lead to difficulties in obtaining or renewing necessary licenses or permissions and can lead to substantial delays and costs for the companies subject to them, all of which can ultimately adversely affect the performance of the Fund. Changes in laws and regulations (or in the interpretation thereof) occurring from time to time in India are possible, including with retrospective effect, and may affect the legal and tax constraints within which the Fund and the Portfolio Companies will operate and, as a result, may require structuring and financing alternatives to be identified and implemented and lead to increased legal costs and reduced returns. In particular, tax laws and regulations or their interpretation may change and there can be no assurance that the structure of the Fund or its Portfolio Investments will be tax efficient. Further, India is subject to rapid changes in legislation, many of which are extremely difficult to predict. Existing laws are often applied inconsistently and new laws and regulations, including those which purport to have retroactive effect, may be introduced with little or no prior consultation. As such, the Fund’s ability to secure the judicial or other enforcement of its rights may be limited.

**Accounting Disclosure and Regulatory Standards:** Accounting, auditing, financial and other reporting standards, practices and disclosure requirements in India differ from those in developed countries and in some respects may be less stringent than those in developed countries. The financial information appearing on the financial statements of a company operating in India may not reflect its financial position or results of operations in the way that they would be reflected if the financial statements had been prepared in accordance with generally accepted accounting principles in other jurisdictions. Accordingly, less information may be available to the investors of the Fund. The securities laws, corporate laws, and accounting laws and standards in India are changing, and the ability of regulators to promulgate and enforce rules regulating market practices is uncertain. There can be no assurance that regulations promulgated in the future will not adversely affect the Fund or that any regulations facilitating such investment will be continued or adopted in the future.

**Corporate Governance:** Disclosure and corporate governance standards in India are different than those in more developed countries and accounting, financial and other reporting standards in India are not on par with those in more developed countries. Still, corporate governance and accounting standards in India, particularly for listed companies, have gained increased attention in recent years and have been made more stringent in respect of disclosures, segmental reporting and consolidation of financial statements. Further, corporate governance and accounting standards in India, particularly for listed companies, have gained increased attention in recent years and have been made more stringent in respect of disclosures, segmental reporting and consolidation of financial statements.

**Government or Regulatory Approvals:** Certain Indian governmental or regulatory approvals, including approvals from the IFSCA will be sought to be obtained by the Fund. Certain sectors are heavily regulated and necessarily require various licenses, permits and approvals from various governmental/regulatory/local authorities, to operate. Any delay or failure in obtaining such approvals could result in adverse situations affecting the profitability of the Fund's Portfolio Investments and divestment potential. Further, there can be no assurances that the Indian regulatory authorities will provide such approvals or impose certain conditions or once granted such approvals will subsist, and the failure of approvals could adversely impact the ability of the Fund to make Portfolio Investments or exit certain Portfolio Investments. If policy announcements or regulations are made subsequent to this offering, which warrant retrospective changes in the structure or operations of the Fund, these may adversely impact the performance of the Fund.

**Loss of FPI Registration:** The Fund will invest in India as an FPI. The investments by the Fund are dependent upon the continued registration of the Fund as an FPI. If the registration of the Fund as an FPI is terminated or is not renewed, the Fund could be forced to redeem its investments, and such forced redemption could adversely affect the returns to the Investors.

**Litigation:** The investments made by the Fund may be governed by a complex series of legal documents and contracts. As a result, the risks of a dispute over interpretation or enforceability of the documentation and consequent costs and delays may be higher than for other types of investments. In addition, the Fund may be subject to claims by third parties (either public or private). If any of the investments of the Fund becomes involved in material or protracted litigation, the litigation expenses and the liability threatened or imposed could have a material adverse effect on the performance of the Fund. The Fund expects to structure all its Portfolio Investments so as to seek resolution of disputes and recovery of its debts and reconstruction under specific mechanisms provided under the regulatory regime in India. Any litigation may consume substantial amounts of the Investment Manager's time and attention, and that time and the devotion of these resources to litigation may, at times, be disproportionate to the amounts at stake in the litigation. Litigation may be commenced with respect to an investment acquired by the Fund in relation to activities that took place prior to the Fund's acquisition of such investment.

**Dispute resolution:** The Fund will rely on the Indian legal system to resolve potential issues relating to any Portfolio Investments. While the Indian legal system is well established and its jurisprudence is derived from English common law, resolution through the Indian court system (including quasi-judicial authorities such as SEBI) could be a relatively lengthy process which could result in time delays. If a dispute arises between the Fund and other investors in a Portfolio Company, the ability to achieve final resolution and timely and effective enforcement of a judgment or arbitral award in the Fund's favour may be limited by one or more of the following factors: (a) delays in pursuing claims and/or enforcing a judgment or arbitral award through the Indian judicial system owing to the large backlogs and consequent delays experienced in the system; and (b) the unenforceability of certain types of shareholder arrangements under Indian law.

**Enforcement:** While Indian laws provide for specific performance of contractual obligations as well as claims for damages in the event of breach of contract, and rights may be enforceable through the Indian judicial system, laws regarding the rights of creditors and the obligations of purchasers are generally significantly less developed in India than in the other developed countries and may be less protective of rights and interests. It may be difficult to obtain swift and equitable enforcement of such laws or to obtain enforcement of a judgment in a local court.

**Investigations and Actions:** Any investigations of, or actions against, the Fund initiated by IFSCA or any other regulatory authority may impose a ban on the investment activities of the Fund or the Investment Manager.

**Regulatory Compliance:** The Fund may invest in listed Portfolio Investments. Prior to making any Portfolio Investment, a thorough due diligence of the Portfolio Investment's compliance with statutory and legal requirements will be undertaken. However, neither the Fund nor the Investment Manager can certify that the Portfolio Investment is and will continue to be fully compliant with all necessary regulations. This risk is more significant in the case of unlisted companies. Where a Portfolio Investment is not compliant there may be significant costs of enforcement by regulators and/or damages, fines or other amounts payable as a result, some contracts with such entity may become voidable; those factors may materially adversely affect the profitability of such Portfolio Investments.

## G. GENERAL RISK FACTORS

**No Assurance of Returns:** The Contributors are not being offered assured or guaranteed returns on their investments in the Fund. Accordingly, the ability of the Fund to pay returns on/redeem the Units will depend on the realisations from the Investments.

**Investor Taxation:** Contributors are subject to risks related to tax matters. The tax consequences of an investment in the Fund are complex, and the full tax impact of such an investment will depend among others, on circumstances particular to each investor. The Fund's structure has not been implemented with regard to any particular Investor. There may be a higher tax incidence on an investor investing through the Fund than in a case if such investor had invested directly. There can, therefore, be no assurance that the structure of the Fund or any investments by the Fund will be tax efficient for any or all of the investors.

**Legal Representation:** The legal counsel to the Fund does not represent the Contributors, and no legal counsel will be retained on behalf of the Contributors. There may exist other matters which would have a bearing on the Fund, the Trustee, the Investment Manager or any of their respective Affiliates upon which the legal counsel to the Fund has not been consulted. The legal counsel does not undertake to monitor compliance of the Fund or the Trustee or the Investment Manager with the Fund Documents or this Offer Document, nor will it monitor compliance with Applicable Law. Additionally, the legal counsel to the Fund relies upon information furnished to it by the Investment Manager and does not investigate or verify the accuracy and completeness of information set out in this Offer Document.

**Government Influence on Economy:** The legacy of the high level of state involvement in the economy continues to provide governments with a greater influence over business and economic affairs than is common in developed markets. The process of revising legislation towards a market economy and the standards of the developed world result in an increased risk of adverse impacts on investments due to the evolution of these laws. In particular, changes in the fiscal arrangements, including taxation and tax concessions, may adversely affect the investments of the Fund.

**Political, Economic and Social Factors:** Political, economic and social factors, changes in Indian law or regulations and the status of India's relations with other countries may adversely affect the value of the Fund's assets.

In addition, the economy of India may differ favourably or unfavourably from other economies in several respects, including the rate of growth of the gross domestic product, the rate of inflation, capital reinvestment, resource self-sufficiency and balance of payments position. The underlying growth in the economy is expected to have a direct impact on the volume of new investments in the country. While the growth in the GDP is likely to result in increased usage of the assets, recession in the economy may result in reduced usage of the existing assets and less demand for new investments which may accordingly impact the available investment opportunities.

As with any investment in India, Portfolio Investments may be materially adversely affected by Indian politics and changes in the political scenario in India. The Fund does not intend to obtain political risk insurance. Actions of the government of India or respective Indian state governments in the future could have a significant effect on the Indian economy, which could affect private sector companies and the Fund, market conditions and prices and yields of securities that constitute the Portfolio Investments. The occurrence of public unrest or external tensions could materially adversely affect the political and economic stability of India and consequently materially adversely affect the performance of the Fund.

In addition to any changes in policy or legislative framework by the government of India, there may be policy or legislative changes in other countries which may adversely impact the businesses of Portfolio Companies. Any such political action or change in legislative framework may affect the returns from the investments. Certain developments are beyond the control of the Investment Manager such as the possibility of nationalization, expropriations, confiscatory taxation, political changes, government regulation, social instability, terrorist activities, diplomatic disputes or other similar developments, could adversely affect the value of investments.

Delays or changes in the development of conducive frameworks for governmental policy may have a material adverse effect on Portfolio Investments and the performance of the Fund.

**Financial Instability:** Financial instability in other countries may cause increased volatility in Indian financial markets. The Indian market and the Indian economy are influenced by economic and market conditions in other countries. Financial turmoil in Asia and elsewhere in the world may affect the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm the Portfolio Companies' businesses or their future financial performance, which will in turn affect the Fund's investments and returns.

## H. CURRENCY RELATED RISKS

While the Capital Contributions of the Fund are denominated in USD, the income received by the Fund from the Underlying Funds will be in INR. The distributions by the Fund to the Contributors will ultimately be made in foreign currency after conversion of the INR distributions received by the Fund from the Underlying Funds. Therefore, the Fund's reported net asset value and distributions to Contributors may be adversely affected by reductions in the value of INR relative to USD. The Fund's assets will be invested in securities that are primarily quoted or denominated

in INR. The value of the Fund's assets and the liquidity of the units may also be affected by developments relating to exchange control regulations. There can be no assurance that future restrictions on the ability to exchange INR to USD, and to repatriate income and capital will not adversely affect the ability of the Underlying Funds to repatriate their income and capital. Furthermore, in the past the exchange rates have been subject to significant fluctuations and there can be no assurance that it will be stable. The INR may experience volatility and may further depreciate.

## **A. TAX RELATED FACTORS**

### **1. Complexity / recency of fund tax regime**

The tax aspects of an investment in the Fund are complicated with limited history and precedence and each prospective Investor should have them reviewed by professional advisors familiar with such Investor's personal tax situation and with the tax laws and regulations applicable to the Investor and private investment vehicles (including that of their home jurisdiction). The Fund is not intended and should not be expected to provide any tax shelter. The Investors in the Fund are subject to a number of risks related to tax matters. The tax consequences of an investment in the Fund are complex, and the full tax impact of an investment in the Fund will depend on circumstances particular to each Investor and the additional peculiarities associated with respect to activities of each Portfolio Company. Alternative tax positions adopted by the Indian tax authorities could give rise to incremental tax liabilities in addition to the tax amounts already discharged by the Fund / Investor. There can be no assurance that the structure of the Fund or any investments by the Funds will be tax-efficient for any particular Investor. There can be no assurance that the Funds will have sufficient cash flow to permit them to make distributions in the amount necessary to enable Investors to pay all tax liabilities (if any in their home jurisdiction) resulting from their Interests.

To ensure compliance with applicable regulations and laws under the ITA, the FME may, acting reasonably and in good faith, take actions or omit to take actions which ensure compliance with such regulations and laws under the ITA. Such actions or omissions may have an adverse effect on all or certain Investors and cannot in any case be guaranteed to have the effect desired by the FME. None of the Funds, FME, the investment team or its respective affiliates or associates shall be responsible for providing tax advice to any Investor.

### **2. Change in tax laws**

The information relating to Indian taxation legislation contained in this Offer Document is based on Indian domestic taxation law along with the rules and regulations made thereunder and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative, or judicial decisions. The tax laws relevant to the Fund/ investors and its interpretations may change in the future, and tax liabilities could be incurred by investors as a result of such changes. Any such changes, which could also be retrospective or retroactive, can have an effect on the validity of the information stated herein as also adversely affect the ability of the Fund to meet its investment objective or of the Contributors to receive desired returns.

### **3. Non-fulfilment of prescribed conditions**

Specified Fund and its non-resident investors have been granted several exemptions/concessions under the Income tax regime. Certain conditions have been prescribed under the tax laws to qualify as 'Specified Fund'. If the Fund fails to qualify as 'Specified Fund' at any point of time, there maybe tax consequences to the Fund and its unitholders as the specific exemptions/concessions applicable to the Fund and non-resident investors shall not be applicable in that case.

4. **Representative Assessee**

Under section 160(1)(iv) of the ITA, Trustee appointed under a trust declared by a duly executed instrument in writing, who receives or is entitled to receive any income on behalf of or for the benefit of any person as per such instrument, would be regarded as a 'representative assessee'. Further, section 161 of the ITA dealing with liability of representative assessee provides that every representative assessee (the Trustee in this instance) shall be subject to the same duties and responsibilities and liabilities as if he received the income beneficially and shall be liable to assessment in its own name as representative assessee of the beneficiaries. Thus, the Trustee of the Fund could be assessed to tax with respect to income earned by the Fund.

The tax liability at any point of time as may be assessed by tax authority could be at variance from tax provision /reserve made or tax paid by the Trustee in capacity of representative assessee. In such an eventuality as per provisions of the deed, trustee is authorised to pay the same out of the existing Trust / Distributable Proceeds.

Further, a trust is not treated as a "person" under Indian tax laws. In case the trust is treated as such (e.g., Association of Persons, Body of Individuals, etc.), incremental tax liability on that count cannot be ruled out.

5. **Reserve for tax liabilities**

The Fund may retain certain amounts towards tax provision (including towards retention of tax reserves) at the time of providing an exit to a Beneficiary for payment of any taxes, actual or potential. Further, tax provision may be made at the time of exit of a beneficiary which may not match with eventual tax liability/provision at the Fund level. The amount of tax provision will be utilised at the time of determination of eventual tax liabilities at the Fund level and any shortfall / excess shall be to the account of existing Beneficiaries in the Fund at the time of determination of such liabilities at the Fund level.

In case of winding up of the Fund, the Investment Manager has discretion to retain certain amount towards tax reserve for any existing or potential tax liabilities even after winding up of the Fund.

6. **General Anti-Avoidance Rules ('GAAR')**

The GAAR provisions provide that an arrangement whose main purpose is to obtain a tax benefit and which also satisfies at least one of the four specified tests (i.e., arrangement is not in arm's length, misuse or abuse of tax laws, lacks or is deemed to lack commercial substance or not carried out for bonafide purpose) can be declared as an "impermissible avoidance arrangement". Under the GAAR provisions, in case a transaction is regarded as an impermissible avoidance arrangement then the tax authorities are empowered to disregard, combine or recharacterize the arrangement, etc. Further, the GAAR provisions, if invoked, could override the Treaty provisions in relation to non-residents.

The provisions of GAAR would be applicable to any transaction undertaken on or after April 01, 2017 i.e., from Financial Year 2017-18 onwards.

There is no precedence on how GAAR will be implemented by Indian tax authorities. Accordingly, prospective Beneficiaries are strongly urged to consult their tax advisors with specific reference to their own situations.

7. **Segregation of assets**

The Trustee has a fiduciary duty to ensure segregation of assets of any other funds which are held in trust. However, it may be possible that in the case of a third-party suit or regulatory action against the Trustee with respect to the liability of any other such aforementioned fund or under any other circumstances, the Trustee may not be able to protect the assets of the Fund against

such third-party suit or regulatory action and would not maintain segregation of assets of the funds.

**8. Risk of Tax status being challenged**

As per section 2(31) of Income-tax Act 'trust' is not regarded as a separate taxable person. Income of the Fund is taxable in hands of the trustee as a representative assessee under provisions of section 160 to 167 of the Act. However, the possibility of Income tax authorities alleging the trust / Fund to be a separate taxable person (such as AOP/ BOI, etc.) cannot be ruled out. In such a case, the tax implications stated in Tax Consideration section could be materially different, depending on alleged 'person' status.

**9. Risk of Tax Audit**

Audit of the Fund by Indian tax authorities could result in adjustments to the tax consequences initially reported by the Fund and may result in an audit of the returns of some or all of the Investors, which examination could affect items not related to Investor's investment in the Fund. If audit adjustments result in an increase in an Investor's income tax liability for any year, such Investor may also be liable for interest and penalties with respect to the amount of underpayment. The legal and accounting costs incurred in connection with any audit of the Fund's tax returns will be borne by the Fund. The cost of any audit of Investor's tax return will be borne solely by that Investor.

Litigation matters in India tend to take a long time to reach finality, which can result in significant cost stacking up in the form of interest and penalty on the taxes due, if the matter were to be ultimately decided against the taxpayer.

Please note that the Indian income tax authorities could levy additional tax liabilities in addition to the tax amounts already discharged by Fund if they treat the taxation of trust in a manner not akin to the manner followed by the Fund. Since, the Fund would ideally distribute the surplus funds to the Investors, if the funds available with the Fund are insufficient to meet the additional Tax liability, the Trustee / Investment Manager reserves the right to collect/recover the additional Tax liability from the investors.

***The foregoing risk factors and conflicts do not purport to be a complete explanation of all of the risks involved in this offering. Potential investors should read this Offer Document and Fund Documents in their entirety before determining whether to subscribe for Units.***

## X. LEGAL, REGULATORY AND TAX CONSIDERATIONS

*The legal and regulatory factors affecting the Fund involve many rapidly developing and changing areas of the law, including, among others, securities, tax and corporate laws. The following discussion provides only a summary of certain of such laws and regulations and is not a comprehensive disclosure regarding all laws and regulations applicable to the Fund, the Trustee, the Investment Manager or Portfolio Investments, or their Affiliates. This section is based on the laws and regulations and the judicial and administrative interpretations thereof, applicable to the Fund, in each case as on September, 2025 which are subject to change from time to time by subsequent legislative, regulatory, administrative or judicial decisions. Any such change could have different legal and/or regulatory implications.*

*The information presented in this section has been extracted from publicly available documents, which have not been prepared or independently verified by the Fund, the Investment Manager, the Trustee, the key managerial persons or any of their respective advisors or any of the aforementioned Person's Affiliates in connection with this Offer Document. The Investment Manager, the Trustee, and/or members of the key managerial persons and their respective Affiliates assume no responsibility for independently verifying the information contained herein and do not make any warranty, express or implied, as to the accuracy or completeness of the information contained in this Offer Document and nothing herein shall be relied upon as a representation or warranty by the aforesaid Persons, whether to the past or the future. Prospective investors in the Fund with questions concerning any legal or tax issues should consult with their counsel and advisors.*

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

### **LEGAL AND REGULATORY CONSIDERATIONS**

#### **INDIA**

##### **INDIAN TRUST ACT, 1882**

The Fund has been set up as a contributory determinate trust under the Indian Trusts Act, 1882. The Trustee will be subject to the powers, duties and obligations as prescribed under the Deed. The Investment Manager shall manage the Fund subject to the Applicable Laws and in accordance with the Investment Management Agreement. The Investors shall be the beneficiaries of Fund.

##### **Special Economic Zones Act, 2005**

The power to establish an IFSC in a special economic zone ("SEZ") is provided under the SEZ Act. Section 18(1) of the SEZ Act provides that the Central Government may approve the setting up of an IFSC in an SEZ and prescribe requirements for setting up and operation of such IFSC. The IFSC situated at GIFT City has been set up under the SEZ Act.

##### **IFSC Securities Laws**

IFSCA has formulated the FM Regulations to facilitate and regulate the business of fund management

in an IFSC set up under Section 18(1) of the SEZ Act. Pursuant to the FM Regulations, IFSCA provides for registration of 'fund management entity' ("FME") that intends to set up a fund business in IFSC and provides operating guidelines for a wide range of fund related entities. Registration under FM Regulations can be obtained as (i) **Authorised FME**; (ii) **Registered FME (Non-Retail)**; and (iii) **Registered FME (Retail)**.

FM Regulations provide flexibility for an FME registered as Registered FME (Retail) to undertake activities of all three categories, and for Registered FME (Non-Retail) to undertake activities of Authorised FME.

Any private placement Offer Document, whether draft or otherwise, filed or application made to the IFSCA before the 19 May 2022 shall be deemed to have been filed or made under the corresponding provisions of the FM Regulations. Further, all existing fund managers of alternative investment funds (**AIFs**) registered by the IFSCA shall seek fresh registration from the IFSCA under FM Regulations within six months from the 19 May 2022.

#### Categories of Registration under FM Regulations

##### *Authorised FME*

Authorised FME can be formed as: (i) a company; (ii) a limited liability partnership, or (iii) a branch of a company and limited liability partnership and is required to maintain a net worth of USD 75,000/- as well as to appoint a principal officer having relevant experience and qualification as per the FM Regulations. It can pool money from (i) accredited investors (i.e., any person who fulfils the criteria set out by the authority); or (ii) investors investing at least US\$ 250,000/-. It is permitted to float Venture Capital Schemes or to operate a Family Investment Fund.

##### *Registered FME (Non-Retail)*

Registered FME (Non-Retail) can be formed as: (i) a company; (ii) a limited liability partnership, or (iii) a branch of a company and limited liability partnership and is required to maintain a net worth of USD 500,000/- as well as to appoint a principal officer and compliance officer having relevant experience and qualification as per the FM Regulations. It can pool money from (i) accredited investors (i.e., any person who fulfils the criteria set out by the authority); or (ii) investors investing at least US\$ 150,000/-. It is permitted to float one or more Restricted Scheme, undertake portfolio management services, or act as investment manager for private placement of investment trusts. It may also undertake all activities of Authorised FMEs.

##### *Registered FME (Retail)*

Registered FME (Retail) can be formed as (i) a company or (ii) a branch of a company and is required to maintain a net worth of USD 1,000,000/- as well as to appoint a principal officer, compliance officer and additional key management personnel (before filing with the IFSCA the offer document of its first retail scheme or ETF) with the responsibility of fund management having relevant experience and qualification as per the FM Regulations. It is required to maintain at least 4 directors (50% of whom need to be independent directors). It can pool money from all sections of investors including retail investors. It is permitted to float one or more Retail Schemes, float exchange traded funds, or act as investment manager for public investment trusts. It may also undertake all activities of Registered FME (Non-Retail).

Any FME that is managing an AUM of at least USD 1 (one) billion, excluding the AUM of fund of funds schemes, as at the close of a financial year shall, in addition to the principal officer and compliance officer, appoint an additional key management personnel, who shall be assigned with the

responsibility of fund management.

Provided that appointment of the additional key management personnel shall be made within 6 (six) months from the end of such financial year.

Provided further that continuation of the additional key management personnel shall be optional, if the AUM remains below USD 1 (one) billion for any 2 (two) subsequent consecutive financial years and there is a reasonable expectation that the AUM shall not exceed USD 1 (one) billion in the near term.

Provided also that FMEs which are set up by Government and Government related investors such as central banks, sovereign wealth funds, international or multilateral organizations or agencies including entities controlled or at least 75% (seventy five) directly or indirectly owned by such Government and Government related investor wherein such investors are the sole contributors, directly or indirectly, of the schemes launched by such FMEs, the appointment of the additional key management personnel may not be required.

#### Types of Schemes under FM Regulations

The FM Regulations provide for three types of Schemes.

##### *Venture Capital Scheme*

The VCS is a close ended scheme having a minimum tenure of 3 years, formed as a Company, LLP or a Trust, which if launched by (i) Authorised FME, can have up to 50 investors, and (ii) Registered FME, can have up to 1,000 investors. Subject to specific disclosure and provisions of FM Regulations, co-investment is allowed. It can be opened for subscription immediately upon communication from the IFSCA that the placement Offer Document has been taken on record. Permissible investments by a VCS include following instruments or entities in IFSC, India or foreign jurisdiction:

- (i) Unlisted securities;
- (ii) Securities listed or to be listed or traded on stock exchanges;
- (iii) Money market instruments;
- (iv) Debt securities;
- (v) Securitised debt instruments, which are either asset backed or mortgage-backed securities;
- (vi) Units of other venture capital schemes subject to appropriate disclosure in the placement Offer Document;
- (vii) Units of retail scheme and restricted scheme or alternative investment funds subject to appropriate disclosure in the placement Offer Document;
- (viii) Limited liability partnerships; or
- (ix) Such other securities or financial products / assets or instruments as specified by the IFSCA.

Restrictions for a VCF, inter alia, include (i) investment in associates is subject to 75% prior approval of

investors by value; and (ii) at least 80% of the corpus is to be invested in companies incorporated for less than 10 (ten) years or other VCS which meet such requirement.

#### *Restricted Scheme*

The Restricted Scheme can be a close ended scheme or open ended scheme, with close ended scheme having a minimum tenure of 1 year, formed as a Company, LLP or a Trust. Subject to specific disclosure and provisions of FM Regulations, co-investment is allowed. It can be opened for subscription immediately upon communication from the IFSCA that the placement Offer Document has been taken on record. Permissible investments by a Restricted Scheme include following instruments or entities in IFSC, India or foreign jurisdiction:

- (i) Unlisted securities;
- (ii) Securities listed or to be listed or traded on stock exchanges;
- (iii) Money market instruments;
- (iv) Debt securities;
- (v) Securitised debt instruments, which are either asset backed or mortgage-backed securities;
- (vi) Units of other investment schemes subject to appropriate disclosure in the placement Offer Document;
- (vii) Derivatives including commodity derivatives subject to suitable disclosures in the placement Offer Document ;
- (viii) Limited liability partnerships; or
- (ix) Such other securities or financial products / assets or instruments as specified by the IFSCA.

A close ended Restricted Scheme may also invest up to 20% of its corpus in physical assets such as real estate, art, bullion, etc.

Restrictions for a Restricted Scheme, inter alia, include (i) investment in associates is subject to 75% prior approval of investors by value; and (ii) for an open ended scheme, maximum 25% of the corpus of the scheme can be invested in unlisted securities and in case of an open-ended fund of funds scheme, this requirement shall not be applicable if such scheme is investing in other open-ended scheme(s) which shall not have investment in unlisted securities in excess of twenty-five per cent. (25%) of their corpus.

#### *Retail Scheme*

The Retail Scheme can be a close ended scheme or open ended scheme, with close ended retail scheme having a minimum tenure of 3 years, formed as a Company or a Trust. Permissible investments by a Retail Scheme include following instruments or entities in IFSC, India or foreign jurisdictions:

- (i) Unlisted securities;

- (ii) Securities listed or to be listed or traded on stock exchanges;
- (iii) Money market instruments;
- (iv) Debt securities;
- (v) Securitised debt instruments, which are either asset backed or mortgage-backed securities;
- (vi) Units of other investment schemes subject to appropriate disclosure in the offer documents;
- (vii) Derivatives including commodity derivatives only for the purpose of hedging subject to appropriate disclosure in the offer documents;
- (viii) Such other securities or financial products / assets or instruments as specified by the IFSCA.

Restrictions for a Retail Scheme, inter alia, include:

(i) Maximum investment in a single company: 10% of AUM (15% with prior approval of fiduciaries) and the limit on investment in single company in case of sectoral or thematic or Index schemes shall be the weightage of that company in the representative index, provided by an independent entity, that such scheme intends to benchmark with, or 15%, whichever is higher. The fund of funds schemes shall be permitted to invest in other scheme(s) if such scheme(s) meets the requirement mentioned above.

(ii) Maximum investment in a sector: 25% of AUM (50% in case of financial services sector), no restriction for sectoral, thematic or Index Scheme. In case of fund of funds scheme, the limit on sectoral cap shall not be applicable if such scheme is investing in other scheme(s) which does not have investment in a single sector in excess of 25% of their AUM, or 50% of their AUM in case of financial services sector or when such scheme(s) are sectoral or thematic or index scheme(s).

(iii) Maximum investment in unlisted entities: 15% of AUM for open-ended scheme and 50% (subject to each investor investing USD 10,000 or more) of AUM for close-ended schemes. The restriction of maximum investment in unlisted securities is not applicable in case of investment by open-ended retail scheme in unlisted securities issued by an investment fund which is regulated by the concerned regulatory authority in its home jurisdiction and is permitted for offering to retail investors in its home jurisdiction.

### **Anti-Money Laundering**

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

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 or the value of any such property or where such property is taken or held outside the country, then the property

equivalent in value held within the country.

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 Fund will be an “intermediary” for the purposes of the PMLA. Thus, the Fund 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.

Further, IFSCA has also notified the (Anti Money Laundering, Counter-Terrorist Financing and Know Your Customer) Guidelines, 2022 in accordance with the requirements under PMLA and rules thereunder. The Fund and the Investment Manager will be required to comply with these guidelines.

Regulated units registered with International Financial Services Centers Authority in GIFT City in India are required to adhere to the International Financial Services Centers Authority (Anti Money Laundering, Counter-Terrorist Financing and Know Your Customer) Guidelines, 2022 along with the central regulations on AML, i.e., the Prevention of Money Laundering Act (PMLA). The IFSCA Guidelines on AML provide that the regulated units operating in GIFT City ensure compliance requirements such as conducting AML Business Risk Assessment and developing adequate risk mitigation policies and procedures. It requires the units to perform KYC process and Customer risk profiling to identify customer risk and perform required Customer Due Diligence measures.

Pursuant to PMLA guidelines, all intermediaries should formulate and implement a proper policy framework as per the guidelines on anti-money laundering measures, policy for acceptance of clients and also to adopt a KYC policy. The intermediaries may, according to their requirements, specify additional disclosures to be made by clients for the purpose of identifying, monitoring and reporting incidents of money laundering and suspicious transactions undertaken by clients.

The Fund would have to ensure that the overall client due diligence process is followed and that the amount invested by the unitholder is through legitimate sources only and does not involve and is not designated for the purpose of any contravention or evasion of the provisions of the any applicable law in force and also any laws enacted by the Government of India from time to time or any rules, regulations, notifications or directions issued there under

The Fund shall require the investors/ unitholders to produce reliable, independent source documents or produce such information as may be required from -time to time for verification of the details. The Fund shall also, after application of appropriate due diligence measures, have absolute discretion to report any transactions to FIU-IND that it believes are suspicious in nature within the purview of the PML Laws.

***As provided in point (4) of guidance note to clause 10.3 of the IFSCA (AML/CFT/KYC) Guidelines, 2022, the information relating to suspicious transactions has to be reported to the Director, Financial Intelligence Unit-India (FIU-IND).***

As per UAPA Order bearing file no.14014/01/2019/CFT dated February 2, 2021 (link: [https://www.mha.gov.in/sites/default/files/ProcedureImplementationSection51A\\_30032021.pdf](https://www.mha.gov.in/sites/default/files/ProcedureImplementationSection51A_30032021.pdf)) and circular dated 20th October 2023 on Procedure for implementation of Section 12A of "The Weapons of Mass Destruction and their Delivery Systems (Prohibition of Unlawful Activities) Act, 2005 ('WMD, Act') (link: <https://ifsc.gov.in/Pages/Contents/WMD-Act Designated-Lists>), in case of match, the Regulated Entity shall immediately inform full particulars of the funds, financial assets or economic resources or related services held in the form of bank accounts, stocks or Insurance policies etc., by such customer on their books to the Central designated Nodal Officer via Fax, telephone and /or email. A copy of the communication shall also be sent to the State Nodal officer/ UAPA, IFSCA and FIU-IND, without delay.

#### **FREEZING OF UNITS**

*As per UAPA Order bearing file no.14014/01/2019/CFT dated February 2, 2021 the IM shall freeze the fund/ assets of designated individual/ entities under following circumstances or such other circumstances as may be updated from time to time:*

- 1. When after verification conducted by the State Police and/or the Central Agencies, an order to freeze the assets under Section 51A of the UAPA is issued by the Central Designated Nodal Officer under the UAPA, Act.*
- 2. In case the dealers of precious metals/stones (DPMS) hold any assets or funds of the designated individual/entity, either directly or indirectly, they shall freeze the same without delay and inform the UAPA Nodal officer of the State/UT.*
- 3. Where any person, either directly or indirectly, holding any funds or other assets of designated individuals or entities, shall, without delay and without prior notice, cause to freeze any transaction in relation to such funds or assets, by immediately informing the nearest Police Station, which shall, in turn, inform the concerned UAPA Nodal Officer of the State/UT along with details of the funds/assets held.*
- 4. Where the name of any person matches with the designates/lists of individual or organization issued pursuant to requests from other countries under the United Nations Security Council Resolution 1373 of 2001 the Regulated Entities shall freeze without delay the funds or other assets of such persons.*

**Further, under Section 12A of the Weapons of Mass Destruction and their Delivery Systems Act, 2002 (WMD), the IM shall freeze the assets of the designated individuals/entities in following circumstances, or such other circumstances as may be provided from time to time**

*As per Circular dated 20<sup>th</sup> October 2023 on Procedure for implementation of Section 12A of "The Weapons of Mass Destruction and their Delivery Systems (Prohibition of Unlawful Activities) Act, 2005 ('WMD, Act') the Regulated Entities shall freeze the fund/ assets of designated individual/ entities under following circumstances:*

1. *When after verification conducted by the State Police and/or the Central Agencies, an order to freeze the assets under Section 12A of the WMD Act is issued by the Central Nodal Officer (CNO).*
2. *In case the dealers of precious metals/stones (DPMS) hold any assets or funds of the designated individual/entity, either directly or indirectly, they shall freeze the same without delay and inform the Section 12A Nodal Officer in the Central Board of Indirect Taxes and Customs (CBIC).*
3. *Where any natural and legal person, holding any funds or other assets of designated individuals or entities, shall, without delay and without prior notice, freeze any transaction in relation to such funds or assets and shall immediately inform the state Nodal Officer along with details of the funds/assets held.*

**Procedure for unfreezing the funds, financial assets or economic resources or related services of individuals/entities inadvertently affected by the freezing mechanism upon verification that the person or entity is not a designated person:**

- a. Any individual/entity, if it has evidence to prove that the freezing of funds, financial assets or economic resources or related services, owned/held has been inadvertently frozen, an application may be moved giving the requisite evidence, in writing, to the relevant RE/ IFSCA/ Nodal Officer.
- b. The RE/IFSCA/Nodal Officer shall inform, and forward a copy of the application, together with full details of the asset frozen, as given by applicant to the CNO by email, FAX and by Post, within two working days. Also, listed persons and entities may petition for delisting at the Focal Point Mechanism established under UNSC Resolution.
- c. The CNO shall cause such verification, as may be required on the basis of the evidence furnished by the individual/entity, and, if satisfied, it shall pass an order, without delay, unfreezing the funds, financial assets or economic resources or related services, owned/held by such applicant, under intimation to all RE/ IFSCA/ Nodal Officer. However, if it is not possible, for any reason, to pass an Order unfreezing the assets within 5 working days, the CNO shall inform the applicant expeditiously.
- d. The CNO shall, based on de-listing of individual and entity under UN Security Council Resolutions, shall pass an order, if not required to be designated in any other order, without delay, unfreezing the funds, financial assets or economic resources or related services, owned/held by such applicant, under intimation to all RE/Registrar of Immovable Properties/ROC/IFSCA and the State Nodal Officer.

**UNFREEZING OF UNITS:**

*When the Chief Nodal Officer (CNO) passes an order for unfreezing the funds, financial assets or economic resources or related services, owned/held by such applicant.*

- a. Any individual/entity, if it has evidence to prove that the freezing of funds, financial assets or economic resources or related services, owned/held has been inadvertently frozen, an application may be moved giving the requisite evidence, in writing, to the relevant RE/ IFSCA/ Nodal Officer.
- b. The RE/IFSCA/Nodal Officer shall inform, and forward a copy of the application, together with full details of the asset frozen, as given by applicant to the CNO by email, FAX and by Post, within two

working days. Also, listed persons and entities may petition a request for delisting at the Focal Point Mechanism established under UNSC Resolution.

- c. The CNO shall cause such verification, as may be required on the basis of the evidence furnished by the individual/entity, and, if satisfied, it shall pass an order, without delay, unfreezing the funds, financial assets or economic resources or related services, owned/held by such applicant, under intimation to all RE/ IFSCA /Nodal Officer. However, if it is not possible, for any reason, to pass an Order unfreezing the assets within 5 working days, the CNO shall inform the applicant expeditiously.
- d. The CNO shall, based on de-listing of individual and entity under UN Security Council Resolutions, shall pass an order, if not required to be designated in any other order, without delay, unfreezing the funds, financial assets or economic resources or related services, owned/held by such applicant, under intimation to all RE/Registrar of Immovable Properties/ROC/IFSCA and the State Nodal Officer.

### **The Companies Act, 2013**

The Indian Companies Act 2013 (“**Companies Act 2013**”) which seeks to revise and modify the existing company law in India, in consonance with changes in national and international economic environment received the President’s assent on 29 August 2013. With effect from 1 April 2014, most of the operational provisions of Companies Act 2013 have been in force except relating to corporate restructuring, winding up, etc.

The Companies Act, 2013 is divided into 29 (twenty-nine) chapters and contains 470 (four hundred and seventy) sections and 7 (seven) schedules and has endeavoured to achieve modernisation and compactness by deleting redundant provisions, regrouping related provisions and modifying various provisions of the Indian Companies Act 1956 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.

The Central Government has the power to notify non-applicability of certain provisions of the Companies Act, 2013 with such exceptions, modifications and adaptations, to such classes of companies as it may deem fit in public interest. In this regard, the Ministry of Corporate Affairs has provided certain procedural exemptions / relaxations to companies (private and unlisted public companies) which are licensed to operate from the IFSC located in an approved multi-services SEZ set up under the SEZ Act.

### **Exchange Control Laws**

IFSC is a deemed foreign jurisdiction from an exchange control perspective. The RBI Operational guidelines on International Financial Services Centre dated 31 March 2015 state that financial institutions and their branches set up in the IFSC that are permitted / recognised as such by the government or a regulatory authority are treated as persons resident outside India. Therefore, their transactions with a person resident in India are treated as transactions between a resident and non-resident and are subject to the provisions of Foreign Exchange Management Act, 1999 (“**FEMA**”). To this end, schemes launched by an FME in the GIFT City, making investments in Indian securities would need to comply with the relevant FEMA norms and FPI Regulations.

### Investments by Indian residents into IFSC

The IFSC Guidelines permit a person resident in India to invest in a fund set up in IFSC, however, the investment is limited to the extent allowed under the LRS. Currently, the LRS permits an Indian resident individual to remit USD 250,000 per year. To the contrary, the FAQs issued by RBI provide that resident Indians are not permitted to use LRS remittances for investment in IFSC. This had resulted in ambiguity regarding the permissibility of Indian residents to invest in IFSC using the LRS route.

RBI, vide circular A.P. (DIR Series) Circular No. 11 dated 16 February 2021 has clarified that resident individuals are permitted to make remittances under LRS to IFSCs in India, subject to the following conditions:

- (i) The remittance shall be made only for making investments in IFSCs in securities, other than those issued by entities /companies resident (outside IFSC) in India;
- (ii) Resident individuals may also open a non interest bearing Foreign Currency Account (“FCA”) in IFSCs, for making the above permissible investments under LRS. Any funds lying idle in the account for a period up to 15 days from the date of its receipt into the account shall be immediately repatriated to domestic INR account of the investor in India; and
- (iii) Resident individuals shall not settle any domestic transactions with other residents through these FCAs held in IFSC.

### FPI Regime

FPI is a unified market access route for all portfolio investments in India and converges all existing portfolio investment routes, including Foreign Institutional Investors (“FII”), sub-accounts and Qualified Foreign Investors regime from 7 January 2014. The FPI framework is aimed at rationalizing and simplifying the process for foreign portfolio investments with a unified access route and has been operational from 1 June 2014. The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations 2019 (“FPI Regulations”), enacted on 23 September 2019, replaced the erstwhile Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations 2014. Under the amended FPI regime, FPIs are categorized into two categories, namely Category I FPIs and Category II FPIs as follows:

- (a) Category I FPIs include the following categories of investors:
  - (i) government and government related investors such as central banks, governmental agencies, sovereign wealth funds and international or multilateral organizations or agencies including entities in which more than 75% of ownership or control is directly or indirectly held by such government and government related investors;
  - (ii) university funds and pension funds;
  - (iii) appropriately regulated entities such as insurance or reinsurance entities, asset management companies, investment managers / advisors, portfolio managers, broker dealers and swap dealers;
  - (iv) entities from Financial Action Task Force (“FATF”) member countries which are:
    - appropriately regulated funds;

- unregulated funds whose investment manager is appropriately regulated and registered as a Category I FPI provided that the investment manager undertakes the responsibility of all the acts of commission or omission of such unregulated fund; and
  - university related endowments of universities that have been in existence for more than 5 years; and
- (v) entities whose investment manager is from an FATF member country and such investment manager is registered as a Category I FPI or entities which are at least 75% owned, directly or indirectly by another entity that is from an FATF member country that is eligible under clauses (ii),(iii) or (iv) above for Category I FPI registration, subject to such investment manager or entity undertaking the responsibility of all the acts of commission or omission of such applicant entity.
- (b) Category II FPIs include all other entities not eligible under Category I FPIs, such as appropriately regulated funds not eligible as Category I FPIs, endowments, charitable organisations, foundations, corporate bodies, appropriately regulated entities investing on behalf of their client as per SEBI specified conditions, individuals, family offices and unregulated funds in the form of limited partnership and trusts.

FPIs are also required to fulfill the eligibility criteria set out in the FPI Regulations. Once registered as an FPI, investors can make investments *inter alia* in domestic mutual fund schemes, listed and unlisted non-convertible debentures / bonds of Indian companies and equity shares of listed or to be listed of Indian companies.

Investment by FPIs in debt limits are subject to limits, as may be prescribed by RBI from time to time.

Furthermore, there are separate conditions attached to FPI investments in corporate bonds, for instance, the requirement for such bonds to have a minimum residual maturity of over a year, and the investment by the FPI and its investor group not exceeding 50% of any issue of a corporate bond. There are separate caps and conditions notified by the RBI for FPI investments in different instruments like interest rate futures, interest rate derivatives, and municipal bonds. The caps and conditions specified by the RBI are subject to change from time to time, depending on the Government of India's economic policy.

The RBI by way of a circular dated 1 March 2019 has also introduced a separate channel called Voluntary Retention Route ("VRR") to enable FPIs to invest in the Indian debt market. Any FPI registered entity is eligible to participate through VRR. Allocation of investment amounts to FPIs under this route are made on tap or through auctions and the minimum retention period is three years, or as otherwise decided by the RBI, for each allotment by tap or auction. The aggregate cap on investments under the VRR is INR 1.5 trillion, allocated across investments in government securities, corporate debt instruments and instruments eligible under both government securities and corporate debt. Investments made through VRR are not subject to any minimum residual maturity requirement, concentration limit or single/group investor-wise limits that would otherwise be applicable to corporate bonds. Income from investments through VRR may be reinvested at the discretion of the FPI and such investments will be permitted in excess of the committed portfolio size.

No FPI (including its related FPIs) can be allotted an investment limit greater than 50% of the amount offered for each allotment by tap or auction in case there is a demand for more than 100% of amount offered. FPIs shall invest the amount allocated, called the Committed Portfolio Size ("CPS") in the relevant debt instruments and remain invested at all times during the voluntary retention period, subject to the following relaxations:

- The minimum investment of an FPI during the retention period shall be 75% of the CPS (the flexibility for modulating investments between 75%-100% of CPS is intended to enable FPIs to adjust their portfolio size as per their investment philosophy); and
- The required investment amount shall be adhered to on an end-of-day basis, and for this purpose, investment shall include cash holdings in the Rupee accounts used for the VRR.

#### *Participatory Notes and Derivative Instruments*

Category I FPIs are permitted to issue / subscribe / deal in offshore derivative instruments ("ODIs") (i.e. any instrument which is issued overseas by an FPI against securities held by it in India, as its underlying), directly or indirectly, if:

- (a) such ODIs are issued / transferred only to persons who are eligible for Category I FPI registration (for the purpose of such eligibility, even if such entity's investment manager is from an FATF member country, then the investment manager will not require Category I registration to hold or subscribe to ODIs);
- (b) such ODIs are issued / transferred after compliance with KYC norms; and
- (c) such other conditions as are specified by SEBI from time to time.

As per SEBI disclosure norms governing issuance of ODIs by any FPI, an FPI is required to disclose the details of such instruments to SEBI on a monthly basis in a prescribed format. Such details include the names and the locations of persons to whom the offshore derivative instruments are issued; the nature and type of investors; the quantity and value of the ODI; and the underlying Indian securities. Information for each calendar month must be submitted within 7 (seven) days following the end of such calendar month. In light of the above, if any FPI or its clients issue any offshore derivative instrument, the details of the investors therein will have to be disclosed by the FPI to SEBI. Additionally, for transfer of such ODIs, the prior consent of the FPI is required to be obtained except when the proposed transferee is pre-approved by the FPI.

FPIs are not allowed to issue ODIs referencing derivatives. Further, FPI are not allowed to hedge their ODIs with derivative positions on stock exchanges in India.

#### *Secondary Market Investment*

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

- (a) The Company shall be required to transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold, except in respect of:
  - any transactions in derivatives on a recognized stock exchange;

- short selling transactions in accordance with the framework specified by SEBI;
  - any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to any unsubscribed portion of the issue in accordance with applicable SEBI regulations; and
  - any other transaction specified by the SEBI;
- (b) No transaction on the stock exchange shall be carried forward;
- (c) The transaction of business in securities shall be only through a stock brokers registered with SEBI;
- (d) FPIs are required to hold and deliver and cause delivery of all securities in dematerialised form only, unless any shares cannot be dematerialized, except rights entitlements, which can be held in non-dematerialised form.;
- (e) The Company may lend securities through an approved intermediary in accordance with the stock lending scheme of SEBI;
- (f) The Company can appoint as custodian any agency approved by SEBI to act as a custodian of securities and for confirmation of transactions in securities, settlement of purchase and sale for information reporting;
- (g) The purchase of the equity shares of each Indian company by a single FPI or investor group shall not exceed 10% of the total paid-up equity on a fully diluted basis of that Indian company or less than 10% of the paid-up value of each series of debentures or preference shares or warrants issued by an Indian company;

*Inter alia*, the restriction set out in the point (c) above will not apply to the: (i) transaction in government securities or other securities falling under the purview of the RBI; (ii) sale of securities in response to a letter of offer sent by an acquirer in accordance with the Takeover Regulations; (iii) sale of securities in response to a letter of sent by a promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting and Equity Shares) Regulations 2009; (iv) sale of securities in accordance with SEBI (Buy-Back of Securities) Regulations 2018; (v) in the case of the divestment of securities by the Company in response to an offer by an Indian company in accordance with the operative guidelines for disinvestment of shares by Indian companies in the overseas market through the issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by the RBI from time to time; (vi) any bid for acquisition of securities in response to offer for divestment of shares made by the central government or any state government; (vii) transaction in securities entered into with a merchant banker in the process of market making or subscribing to the unsubscribed portion of the issue in accordance with the applicable SEBI regulations; (viii) transaction in corporate bonds; (ix) transactions on the electronic book provider platform of recognized stock exchanges; (x) transactions in unlisted securities received through involuntary corporate actions including a scheme of a merger or demerger approved in accordance with the provisions of the Companies Act 2013 as well as the applicable guidelines issued by SEBI or pursuant to implementation of any resolution plan approved under the Insolvency and Bankruptcy Code 2016 or in accordance with the guidelines issued by the Government of India or the Reserve Bank of India or any other regulator for a scheme of debt resolution (provided that such

unlisted holdings of the FPI shall be treated as foreign direct investment); (xi) transactions for transfer of right entitlements; (xii) purchase or sale transactions of illiquid or suspended or delisted securities by FPIs; (xiii) transactions between registered FPIs, who are multi investment manager structure of the same beneficial owner and have common PAN; and (xiv) any other transaction specified by SEBI.

#### Other investment conditions

- Securities are required to be registered in the name of the FPI as a beneficial owner unless otherwise approved by SEBI;
- Lending and borrowing of securities by FPIs is required to be in accordance with the framework specified by SEBI;
- Investments by FPIs are also subject to any other conditions or restrictions that may be specified by the government of India from time to time; and
- In situations where the government of India enters into agreements or treaties with other sovereign governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, SEBI may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.

#### Ownership Restrictions

FPI and the other entities belonging to the same investor group can invest only below 10% of paid-up capital on a fully diluted basis or 10% of the paid-up value of each series of convertible debentures of an Indian company (including through ODIs). FPIs are considered to belong to the same investor group on the basis of common ownership of more than 50% or based on common control i.e. multiple entities having common ownership, directly or indirectly, of more than 50% or common control shall be treated as being part of the same investor group and the investment limits of all such entities shall be clubbed at the investment limit as applicable to a single FPI.

From 31 March 2020, the aggregate cap on FPI investments in an Indian company shall be the sectoral cap on foreign investment applicable to such company, provided however that the company may have reduced the cap to 24%, 49% or 74% prior to 31 March 2020. It is to be noted that once a higher limit is set by a company, the company cannot subsequently reduce such limit. The ceiling would apply to all holdings taking into account the conversions out of the fully and partly convertible debentures issued by the company. The limit can be extended if the general body of the corporate approves it, provided prior intimation about the increase is provided to RBI.

Any breach of this cap by FPIs would have to be remedied by a proportionate sale of shares by FPIs in accordance with the procedure laid down in the SEBI Operating Guidelines for FPIs. On failure to remedy such breach of limits, investments by the FPI will be classified as FDI and be subject to the restrictions under the FDI regime. The DDP, depositaries and RBI monitor the total FPI investments in an entity on an ongoing basis, preventing the threshold from being breached, and therefore this is not a practical concern for the FPI.

A foreign portfolio investor registered with SEBI can also make investments under the FDI Route as opposed to the FPI route and these investments can continue to be held with the FDI account even after listing of the relevant investee company. It should be noted however, that once an investment

is made in a particular company under the FDI route, no investment can subsequently be made by the foreign portfolio investor in the same company under the FPI route.

### **TAX CONSIDERATIONS**

**THE INFORMATION PRESENTED ABOVE IS A BROAD DISCUSSION ON THE IMPORTANT LEGAL AND REGULATORY CONSIDERATIONS APPLICABLE TO THE FUND, THE FME AND THE INVESTOR. FOR A COMPREHENSIVE UNDERSTANDING OF THE POSITION OF LAW, THE READER IS DIRECTED TO THE ORIGINAL TEXT OF THE STATUTES, REGULATIONS, RULES OR GUIDELINES MENTIONED ABOVE AND TO SEEK APPROPRIATE LEGAL COUNSEL IN CONNECTION THEREWITH.**

### **TAX CONSIDERATIONS**

PROSPECTIVE INVESTORS SHOULD CONSIDER THE FOLLOWING SUMMARY OF CERTAIN TAXATION ASPECTS AFFECTING THE FUND. PROSPECTIVE INVESTORS ARE ADVISED TO INFORM THEMSELVES AS TO ANY INCOME OR OTHER TAX CONSEQUENCES WHICH ARE RELEVANT TO THEIR PARTICULAR CIRCUMSTANCES IN CONNECTION WITH THE ACQUISITION, HOLDING OR DISPOSITION OF THEIR RESPECTIVE INTERESTS IN THE FUND. IN VIEW OF THE PARTICULAR NATURE OF TAX CONSEQUENCES, EACH PROSPECTIVE INVESTOR IS ADVISED TO CONSULT ITS OWN TAX ADVISER WITH RESPECT TO THE SPECIFIC TAX CONSEQUENCES ARISING DUE TO AN INVESTMENT IN THE FUND. THE FUND, THE MANAGER, THE TRUSTEE, AND THEIR ADVISERS ACCEPT NO RESPONSIBILITY FOR ANY LOSS SUFFERED BY ANY INVESTOR AS A RESULT OF CURRENT TAXATION LAW AND PRACTICE OR ANY CHANGES THERETO.

THIS INFORMATION 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, TAX INCIDENCE AND RISKS INHERENT IN MAKING A CAPITAL COMMITMENT IN THE FUND.

THE FOLLOWING IS A SUMMARY OF CERTAIN RELEVANT PROVISIONS OF THE INCOME-TAX ACT, 1961 ("ITA"), INCOME-TAX RULES, 1962, ("RULES") AND VARIOUS CIRCULARS AND NOTIFICATIONS ISSUED THEREUNDER FROM TIME TO TIME. THE ITA IS AMENDED EVERY YEAR BY THE FINANCE ACT OF THE RELEVANT YEAR AND THIS SUMMARY REFLECTS THE AMENDMENTS ENACTED IN THE FINANCE ACT, 2025.

THE SUMMARY IS BASED ON LAWS, REGULATIONS, RULINGS AND JUDICIAL DECISIONS NOW IN EFFECT, AND CURRENT ADMINISTRATIVE RULES, PRACTICES AND INTERPRETATIONS, ALL OF WHICH ARE SUBJECT TO CHANGE, WITH POSSIBLE RETROSPECTIVE EFFECT. IT IS THE RESPONSIBILITY OF ALL PERSONS INTERESTED IN PURCHASING UNITS OF THE FUND TO INFORM THEMSELVES AS TO ANY INCOME-TAX OR OTHER TAX CONSEQUENCES, WHICH ARE RELEVANT TO THEIR PARTICULAR CIRCUMSTANCES IN CONNECTION WITH THE ACQUISITION, HOLDING OR DISPOSITION OF THE UNITS.

THIS SUMMARY ON INDIAN TAX MATTERS CONTAINED HEREIN IS BASED ON EXISTING LAW AS ON THE DATE OF THIS OFFER DOCUMENT. NO ASSURANCE CAN BE GIVEN THAT FUTURE LEGISLATION, ADMINISTRATIVE RULINGS OR COURT DECISIONS WILL NOT SIGNIFICANTLY MODIFY THE CONCLUSIONS SET FORTH IN THIS SUMMARY, POSSIBLY WITH RETROACTIVE EFFECT.

THIS SUMMARY OF INDIAN TAX MATTERS CONTAINS TAX CONSIDERATIONS ON INCOME FROM UNDERLYING FUNDS, IN THE CONTEXT OF NON-RESIDENT INVESTORS INVESTING IN THE SPECIFIED FUND. THIS SUMMARY DOES NOT INCLUDE OTHER TAX CONSIDERATION WHICH MAY BE APPLICABLE IN DIFFERENT CIRCUMSTANCES.

THIS FOLLOWING SUMMARY HAS BEEN UPDATED WITH AMENDMENTS MADE BY THE FINANCE ACT, 2025, UNLESS SPECIFIED OTHERWISE. THE TAX RATES STATED BELOW ARE EXCLUSIVE OF SURCHARGE AND HEALTH AND EDUCATION CESS (UNLESS STATED OTHERWISE) AND ARE APPLICABLE FOR THE FINANCIAL YEAR 2025-26 (ASSESSMENT YEAR 2026-27)

**Sundaram India Mid Cap – GIFT** is an open-ended Retail Scheme as per the IFSCA (Fund Management) Regulations, 2025. It is managed by the branch of Sundaram Asset Management Company Limited which is registered with the IFSCA as a Fund Management Entity (Retail) under the FM Regulations having the registration number:- FDM2025FMR0849

Further, for the purpose of making investments into India, the Fund will obtain registration as a Category I FPI in accordance with the SEBI (Foreign Portfolio Investors) Regulations, 2019 ('FPI Regulations').

### General

This summary outlines certain significant Indian tax principles that are likely to be relevant in the context of investments made by the Scheme, which is registered as a Retail Fund with the IFSCA and is investing in India under the Foreign Portfolio Investor ('FPI') route.

The basis of charge of Indian income-tax depends upon:

- A. the residential status of the taxpayer during a tax year; and
- B. the nature of the income earned.

The Indian tax year runs from April 01 until March 31.

A person who is an Indian tax resident is liable to taxation in India on worldwide income, subject to certain tax exemptions, which are accorded under the provisions of the ITA. A person who is treated as a non-resident for Indian income-tax purposes is generally subject to tax in India only on such person's Indian-sourced income or income received in India.

The Scheme would be regarded as a "resident" for the purposes of ITA.

Sundaram India Mid Cap – GIFT has obtained registration as a Retail Fund from the International Financial Services Centre Authority (IFSCA) under the IFSCA (Fund Management) Regulations, 2022 ('FME Regulations'), read with the IFSC Guidelines and related operating guidelines dated November 26, 2018, issued by the Securities Exchange Board of India ('SEBI').

### 1. Taxation of the Fund

Potential investors interested in investing in Units of the Scheme should consider the following summary of certain taxation aspects affecting the Scheme.

The following summary is based on the law and practice of the Income-tax Act, 1961 ('the Act' or 'the ITA'), the Income-tax Rules, 1962 ('the Rules') and various Circulars and Notifications issued there under from time to time. The Act is amended every year by the Finance Act of the relevant year and this summary reflects changes till date. The tax rates specified below are for the Financial Year ('FY') 2024-25 (Assessment Year 2025-26) as prescribed under the current provisions of the Act. The rates are exclusive of surcharge and health and education cess (unless stated otherwise) and are stated at the highest applicable slab rates.

The Scheme does not plan to apply for any certifications or registrations, or make any representations, or take any other action, under any law, which would afford relief to investors therein from the normal tax regime otherwise applicable to an investment in the Scheme. In view of the particular nature of tax consequences, each investor is advised to consult its own tax adviser with respect to the specific tax consequences arising due to investment in the Scheme.

In this Section, attention is drawn to certain tax considerations that investors must bear in mind while evaluating an investment into the Scheme.

This information 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, tax incidence and risks inherent in making a Capital Commitment in the Scheme. Prospective investors are urged to consult their own tax advisers in this regard.

The summary is based on laws, regulations, rulings, judicial decisions now in effect and current administrative rules, practices and interpretations, all of which are subject to change, with possible retrospective effect. It is the responsibility of all persons interested in purchasing Units of the Scheme to inform themselves as to any income-tax or other tax consequences, which are relevant to their particular circumstances in connection with the acquisition, holding or disposition of the Units.

The information contained herein is of a general nature. The content provided here treats the subjects covered here in condensed form. It is intended to provide a general guide to the subject matter and should not be relied on as a basis for any decisions.

## **2. Taxation of the Fund**

The ITA provides for a special tax regime for a “specified Fund”. The ITA defines a “specified Fund” as a fund established or incorporated in India in the form of a trust or a company or a limited liability partnership or a body corporate:

- i. which has been granted a certificate of registration as a Category III Alternative Investment Fund and is regulated under the Securities and Exchange Board of India (Alternative Investment Fund) Regulations, 2012, made under the Securities and Exchange Board of India Act, 1992 (15 of 1992) or [regulated under the FME Regulations, 2022, made under the IFSCA, 2019 (50 of 2019)];
- ii. which has been granted a certificate as a retail scheme or an Exchange Traded Fund, and is regulated under the FME Regulations, 2022, made under the IFSCA Act (50 of 2019) and satisfies such conditions, as may be prescribed;
- iii. which is located in any International Financial Services Centre; and
- iv. of which all the units are held by non-residents (at the time of making investment in the Scheme) other than unit held by a sponsor or manager. However, as per Finance Act, 2022, this condition shall not apply if the non-resident investor qualifies to become a ‘resident’ or a ‘deemed resident’ in India under section 6(1) and 6(1A) of the ITA in the subsequent years, provided such an investor or investors hold(s) less than 5% (five percent) of the total units issued in number and value and fulfil(s) such other conditions as may be prescribed.

Since the Scheme is set-up in the IFSC and has been granted the certificate as a Retail scheme under the FME Regulations and is expected to comply with the definition of “specified Fund”, the special tax regime as applicable to a “specified Fund” under the ITA will be applicable to the Scheme.

The primary investment objective of the scheme is to seek to provide long term capital growth by investing primarily in units of mutual funds in India.

The specified fund needs to certify that it has fulfilled the above conditions by filing an annual statement of exempt income under Form No. 10IG to avail the benefit of special tax regime.

The ITA provides that the special tax regime available to a specified Fund shall apply only to the extent of income that is attributable to units held by non-residents (not being a permanent establishment of a non-resident in India) calculated in a prescribed manner.

The Central Board of Direct Taxes (CBDT) has notified two rules i.e. Rule 21AI and Rule 21AJ in the Income tax Rules, 1962 (the Rules), prescribing the method of computation of income of the specified fund attributable to units held by non-resident investors. Further, CBDT has also notified Rule 21AIA prescribing additional conditions to be fulfilled by the specified fund as referred to in clause (4D) of section 10 of the Act.

Broadly, the income arising from transfer of securities is attributable on the basis of the average of daily aggregate AUM of the specified fund over the period of holding of the security. Income received in respect of securities is attributable on the basis of the AUM as on the date of receipt of income. The term AUM has been defined as the closing balance of the value of assets or investments of the specified fund as on a particular date.

### **Special tax regime for the Scheme (to the extent of income attributable to non-resident investors)**

The Scheme would typically earn the following streams of income from its investment in Indian securities:

- gains arising on transfer of investments viz. equity shares, derivative contracts (i.e., futures and options) and debt securities;
- interest income; and
- dividend income.

Details of taxation relating to investments made by the Scheme are set out below.

#### **A. Gains arising on transfer of Indian investments (other than specified buy-back)**

The definition of “capital asset” includes any security held by an FPI<sup>1</sup>, which has invested in such security in accordance with the regulations made under the SEBI Act, 1992.

Depending upon the period of holding of assets, capital gains arising on transfer of securities should be taxable either as short-term capital gains or long-term capital gains.

---

<sup>1</sup> *Vide Notification No. 9/2014 dated January 22, 2014, the Indian Government has extended the benefits available to Foreign Institutional Investors under section 115AD of the ITA to FPIs in India under the SEBI (FPI) Regulations, 2014. A similar notification is waited for FPIs registered in accordance with SEBI (FPI) Regulations, 2019.*

| Nature of the Asset  | Short-term capital asset                       | Long-term capital asset                    |
|--|--|--|
| Securities listed on a recognized stock exchange in India (other than a unit), unit of a Unit Trust of India, units of an equity-oriented fund or zero-coupon bond | Held for not more than 12 (twelve) months      | Held for more than 12 (twelve) months      |
| For securities other than those specified above and listed units of business trust (REITs/InvITs) (excluding unlisted shares of an Indian company)                 | Held for not more than 24 (Twenty-Four) months | Held for more than 24 (Twenty-Four) months |

The capital gains tax rates under the ITA are as set out below:

| Characterization   | Tax Rate   |
|--|--|
| Short-term capital gains on transfer of shares in an Indian Company  | 20% (Twenty per cent) in cases where the transfer is chargeable to Securities Transaction Tax ("STT")<br>At rates in force in all other cases  |
| Long-term capital gains on transfer of shares in an Indian Company   | In case where transfer is chargeable to STT - 12.5% (Twelve and a half per cent) (Refer note 1, note 2 and note 4)<br>In case where transfer is not chargeable to STT - 12.5% (twelve and a half per cent) (Refer note 1 and note 3) |
| Any Income on transfer of any other securities (other than shares in a company resident in India as mentioned above) – including gains on transfer of derivatives or debt securities   | Exempt from tax (Refer note 4)   |
| Any income from securities issued by a non-resident (not being a permanent establishment of a non-resident in India) and where such income otherwise does not accrue or arise in India | Exempt from tax (Refer note 4)   |
| Any income on transfer of specified securities* on recognized stock exchange located in IFSC   | Exempt from tax (Refer note 4)   |

*\*Specified securities include Bonds, GDRs, Foreign currency denominated bonds, Rupee-denominated bonds of an Indian company, Derivatives, Unit of a Mutual Fund, Unit of a business trust, Unit of Alternative Investment Fund and Foreign currency denominated equity share of a company*

Note 1: As per provisions of the ITA, an FPI shall not be entitled to take the benefit of computing gains in foreign currency and cost inflation index while computing capital gains arising from transfer of securities.

Note 2: The Finance Act, 2018 has withdrawn exemption from tax on long term capital gains arising on transfer of listed equity shares, units of equity oriented mutual fund and units of business trusts. Long term capital gains above INR 0.125 million (Zero Point One Two Five Million Rupees Only) on transfer of said securities shall be taxable at 12.5% (12.5% per cent).

Note 3: The CBDT has issued a notification<sup>2</sup> clarifying that the requirement to pay STT at the time of acquisition of equity shares shall apply in the following negative circumstances only:

- a. where the acquisition of existing listed equity shares in a company whose equity shares are not frequently traded on a recognized stock exchange of India is made through a preferential issue, other than specified preferential issues;
- b. where transactions for the acquisition of existing listed equity shares in a company is not entered through a recognized stock exchange, except in specified circumstances; and/or
- c. where the acquisition of equity shares is during the period beginning from the date on which the company is delisted from a recognized stock exchange and ending on the date immediately preceding the date on which the company is again listed on a recognized stock exchange, in accordance with the Securities Contracts (Regulation) Act, 1956 read with SEBI Act, 1992 (15 of 1992) and the rules made thereunder.

Note 4: The rules for attribution as prescribed by the CBDT provide as follows:

For the purpose of clause (4D) of section 10, income attributable to units held by non-resident (not being the permanent establishment of a non-resident in India) in a specified fund shall be computed with the following formula:

| For exempt income under section 10(4D) = A*C1 + B*C2 + D*F1 + E*F2, where; |  |
|--|--|
| A  | Income accrued or arisen to, or received as a result of transfer of capital asset referred to in section 47(viiab), on a recognized stock exchange located in IFSC and where the consideration for such transaction is paid or payable in convertible foreign exchange |
| B  | Income accrued or arisen to, or received as a result of transfer of securities (other than shares in a company resident in India)  |
| C1   | Ratio of the aggregate of daily AUM of specified fund held by non-resident unit holders to the aggregate of daily total AUM, from the date of acquisition of the capital asset to the date of its transfer   |
| C2   | Ratio of the aggregate of daily AUM of specified fund held by non-resident unit holders to the aggregate of daily total AUM, from the date of acquisition of the security to the date of its transfer  |
| D  | Income accrued or arisen to, or received from securities issued by a non-resident and where such income otherwise does not accrue or arise in India  |
| E  | Income accrued or arisen to, or received from a securitization trust which is chargeable under the head Profits and gains of business or profession  |
| F1   | Ratio of the AUM of specified fund held by non-resident unit holders to the total AUM, as on the date of receipt of income from securities.  |
| F2   | Ratio of the AUM of specified fund held by non-resident unit holders to the total AUM, as on the date of receipt of income from a securitization trust.  |

For the purposes of sub-section (1A) of section 115AD, the income by way of short-term or long-term capital gains, referred to in clause (b) of sub-section (1) of section 115AD, attributable to the units held by non-resident (not being the permanent establishment of a non-resident in India) shall be calculated in accordance with the following formula:

<sup>2</sup> Notification No. 60/2018/F. No. 370142/9/2017-TPL dated October 1, 2018

|  |   |
|--|---|
| For income by way of short-term or long-term capital gains on shares of an Indian company - $A = B * C$ , where; |   |
| A  | Income attributable to the units held by non-resident   |
| B  | Income arising from transfer of the security  |
| C  | Ratio of the aggregate of daily AUM of specified fund held by non-resident unit holders to the aggregate of daily total AUM, from the date of acquisition of the security to the date of its transfer |

### B. Gains arising on buyback of shares by a company

As per the amendment in Finance Act 2024, with effect from October 1, 2024, the entire buyback amount received in the hands of shareholders is now considered a form of dividend and is taxed in the hands of the shareholders. The cost of acquisition of the shares tendered in a buyback will be treated as a capital loss (either short term or long-term depending on the holding period) for shareholders, which can be offset against other capital gains or carried forward for up to eight assessment years. The taxation of dividend income is provided below.

### C. Interest Income

#### Interest paid to the Scheme

Interest in respect of securities arising to the Scheme (other than those specified above) shall be subject to tax at the rate of 10% (ten per cent).

For the purposes of the above, the income of a specified fund by way of income received in respect of securities, referred to in clause (a) of sub-section (1) of section 115AD, attributable to the units held by non-resident (not being the permanent establishment of a non-resident in India) shall be calculated in accordance with the following formula:

|   |  |
|---|--|
| For income received in respect of securities - $X = Y * Z$ , where; |  |
| X   | Income attributable to the units held by non-resident (not being the permanent establishment of a non-resident in India)         |
| Y   | Income received in respect of securities   |
| Z   | Ratio of the AUM of specified fund held by non-resident unit holders to the total AUM, as on the date of receipt of such income. |

#### Interest income from Long term bonds and Rupee Denominated Bonds listed on IFSC

Interest in respect of Long-term bonds and Rupee Denominated Bonds issued on or after the April 01, 2020 but before July 01, 2023, listed only on recognized stock exchange in IFSC shall be subject to tax at the beneficial rate of 4% (four per cent). The rate shall be 9% (nine per cent) for Long-term bonds and Rupee Denominated Bonds issued on or after July 01, 2023.

### D. Dividend Income

With effect from April 01, 2020, dividend income is taxable in the hands of the recipient at the applicable tax rates. Dividend income earned by the Scheme would be subject to tax at the rate of 10% (ten per cent).

#### **Tax regime for the Scheme (to the extent of income attributable to resident investors)**

The income earned by the Scheme, to the extent attributable to the resident investors, would be taxable as under:

- Short-term capital gains on transfer of shares in an Indian Company would be taxable at the rate of 20% (Twenty per cent), in cases where the transfer is chargeable to STT. In case of short-term capital gains on transfer of shares in an Indian Company not chargeable to STT, the same would be taxable at applicable tax rates. Long-term capital gains on transfer of shares in an Indian Company would be taxable at the rate of 12.5% (Twelve and half per cent).
- Interest and dividend income would be taxable at applicable tax rates.

#### **Surcharge**

Trust/Scheme would be a “non-corporate (Trust)” for Indian tax purposes. In the case of non-corporate FPIs, the surcharge rates are as under:

- If total income does not exceed INR 5 million (Five Million Indian Rupees Only) – NIL
- If total income exceeds INR 5 million (Five Million Indian Rupees Only) but does not exceed INR 10 million (Ten Million Indian Rupees Only) - 10% (ten per cent)
- If total income exceeds INR 10 million (Ten Million Indian Rupees Only) but does not exceed INR 20 million (Twenty Million Indian Rupees Only) - 15% (fifteen per cent)
- If total income exceeds INR 20 million (Twenty Million Indian Rupees Only) but does not exceed INR 50 million (Fifty Million Indian Rupees Only) - 25% (twenty-five per cent)
- If total income exceeds INR 50 million (Fifty Million Indian Rupees Only) - 37% (thirty-seven per cent)

However, in case where the total income of the FPI includes any short-term capital gains arising from the transfer of securities (on which STT is paid) or any long-term capital gains or dividend income from securities, the surcharge rate on such capital gains or dividend income is restricted to 15% (fifteen per cent).

From the FY 2023-24, the surcharge rates on other income for Individuals, HUFs, AOP, BOI or Artificial Juridical Persons opting to pay tax under the new tax regime of Section 115BAC of the ITA shall not exceed 25%. Thus, the income exceeding INR 50 million shall be subject to the surcharge rate of 25% if the assessee opts for the new tax regime.

#### **Health and Education cess**

The Health and Education cess rate applicable to the Scheme is 4% (four per cent) of the total income-tax plus surcharge, as applicable.

Further, surcharge and health and education cess will not be levied on the income earned under section 115AD(1)(a) of the ITA (such as dividend, interest etc.) by specified funds.

### **3. Taxation of the Investors**

The tax implications with respect to each of the above income streams are discussed below:

#### **A. Distribution made by the Scheme**

As per the provisions of the ITA, any distribution made by the Scheme to its investors is exempt from tax in the hands of the investors. Further, no distribution tax is payable by the Scheme.

#### **B. Capital gains on transfer of units of the Scheme**

As per the provisions of the ITA, any gains arising on transfer of units of the Scheme, being a Retail Fund in IFSC, is exempt from tax in the hands of the investors.

#### **C. Provisions related to indirect transfer**

As per the provisions of the ITA, income arising from the transfer of shares or interests in a foreign company or entity registered outside India shall be taxable in India, if the shares or interests, directly or indirectly, derive their value substantially from assets located in India.

Since the Scheme is an entity registered in India, the provisions relating to indirect transfer should not be applicable on transfer of units by the investors in the Scheme.

### **4. Other Relevant Tax Considerations**

Exemption to certain non-resident investors from obtaining a Permanent Account Number (PAN) in India

The CBDT has issued a notification which exempts a non-resident (not being a company) or a foreign company (hereinafter referred to as non-resident) who has made investments in specified fund located in IFSC from obtaining a PAN in India.

The above exemption from obtaining a PAN is subject to satisfaction of the following conditions:

- The non-resident does not earn any income in India, other than income from investment in specified fund located in any IFSC;
- Any income-tax due on the income of such investor has been deducted at source and remitted to the Central Government by the Investment Fund at the rates in force, as per section 194LBB of the Act; and
- The non-resident provides the following details and documents to the specified fund:
  - Name, e-mail id, contact number;
  - Address in the country or specified territory outside India of which he is a resident;
  - A declaration that he is a resident of a country or specified territory outside India; and

- Tax Identification Number in the country or specified territory of his residence and in case no such number is available, then a unique number on the basis of which such person is identified by the Government of that country or the specified territory of which he claims to be a resident.

The notification also provides that the provisions of section 206AA of the Act which prescribe a higher rate of tax deduction in the absence of PAN shall not apply to payments made to such non-residents exempted from obtaining PAN. The notification also provides that the Fund shall furnish a quarterly statement in Form No. 49BA, in which the aforementioned details shall be filed with the tax authorities.

#### Exemption to certain non-resident investors from filing return of income in India

The CBDT has issued a notification which exempts a non-resident (not being a company) or a foreign company (hereinafter referred to as non-resident) who has made investments in specified fund located in IFSC from filing return of income in India.

The above exemption is subject to satisfying the following conditions:

- The non-resident investor does not earn any income in India, during the previous year, other than the income from investment in a “specified fund” referred to in section 10(4D) of the ITA; and
- The non-resident investor is exempted from obtaining PAN in India.

#### Tax Collection at Source

The Finance Act, 2020 had made certain amendments in Tax Collection at Source provisions, which mandated that with effect from 1 October 2020, Seller of “goods” is required to collect tax @ 0.1% (zero point one per cent) if the receipt of sale consideration from a buyer exceeds INR 5 million (Five Million Rupees Only) in the financial year. Further, it has been provided that the Seller is required to collect such tax only if his total sales, gross receipts or turnover from his business exceeds INR 100 million (One Hundred Million Rupees Only) during the financial year immediately preceding the financial year in which the sale of goods is carried out. However, no tax is required to be collected at source if the buyer is liable to deduct tax at source under any other provision of ITA and has deducted such amount.

The CBDT has issued a circular clarifying that the above provisions are not applicable to transactions in shares and commodities transacted through recognized stock exchanges/ recognized clearing corporations, including those located in International Financial Service Centers.

#### Deduction of tax at source

The Finance Act, 2021 has introduced a provision which requires a buyer to deduct tax at source @ 0.1% (zero point one per cent) if the purchase value of “goods” exceed INR 5 million (Five Million Rupees Only) in the financial year. Further, it has been provided that the buyer is required to deduct such tax only if his total sales, gross receipts or turnover from his business exceeds INR 100 million (One Hundred Million Rupees Only) during the financial year immediately preceding the financial year in which the goods are purchased.

The CBDT has issued a circular clarifying that the above provisions are not applicable to transactions in securities and commodities which are traded through recognized stock exchanges/ recognized clearing corporations, including those located in International Financial Service Centers.

### Deemed income on investment in shares/ securities of Indian Companies

As per the provisions of section 56(2)(x) of the ITA, where any person receives any property, including shares and securities from any person for a consideration which is lower than the FMV by more than INR 50,000, (Fifty Thousand Rupees Only) then difference between the FMV and consideration shall be taxable in the hands of acquirer as 'Income from other sources' ("Other Income"). The Rules for determining the FMV of shares and securities have been prescribed under the Rules. Accordingly, such other income may be chargeable to tax at the applicable rates under the ITA.

### Alternate Minimum Tax ("AMT")

The provision of the ITA provides for levy of AMT on non-corporate taxpayers. Under these provisions, where income-tax payable by a non-corporate taxpayer on its total income as computed under the ITA is less than 15% (fifteen per cent) of its book profits (computed in a prescribed manner), then the book profit is deemed to be total income and the tax is computed at 15% (fifteen per cent) of its book profits. AMT provisions are not applicable to a specified fund situated in IFSC and hence, the AMT provisions should not be applicable to the Scheme.

### Capital losses

As per the provisions of the ITA, short term capital loss can be set-off against both short term capital gains and long-term capital gains but long-term capital loss can be set-off only against long term capital gains. The unabsorbed short term and long-term capital loss can be carried forward for 8 (eight) years. Where the gains arising on transfer of such securities are otherwise exempt from tax under the ITA, then losses arising on transfer of securities may not be allowed to be set-off or carried forward to future years.

It may be noted that, if any person has sustained a loss in any financial year under the head 'capital gains' and claims such loss or any part thereof to be carried forward under the provisions of Indian tax law, then such person is required to furnish a return of loss within the prescribed due dates in order to set off the same against income earned in future assessment years.

### Withholding of tax at source on income earned by the Scheme

No taxes are required to be withheld at source on capital gains arising on transfer of securities held by the Scheme. Further, with respect to dividend and interest income to be earned by the Scheme, withholding tax rates are aligned and would be at income-tax rates, 10% (ten per cent) (for all other incomes "in respect of" securities).

### Bonus stripping

Where any person buys or acquires:

- any units of a mutual fund or the Unit Trust of India; and
- within a period of three months prior to the record date (i.e., the date that may be fixed by a Mutual Fund or the Administrator of the specified undertaking or the specified company, for the purposes of entitlement of the holder of the units to receive additional unit without any consideration) and such person is allotted additional units (without any payment) on the basis of holding of the aforesaid units on the record date, and
- if such person sells or transfers all or any of the original units within a period of nine months after the record date while continuing to hold all or any of the additional units, then any loss arising to

him on account of such purchase and sale of all or any of the units would be ignored for the purpose of computing his income chargeable to tax. Further, the loss so ignored would be deemed to be the cost of acquisition of such additional units as are held by him on the date of sale or transfer of original units.

The Finance Act, 2022 has extended the above provisions to securities, and units of AIFs and business trusts such as Infrastructure Investment Trusts ('InvITs') and Real Estate Investment Trusts ('REITs'). This amendment shall be effective from April 1, 2022.

#### Dividend stripping

Where any person buys or acquires any securities or units within a period of 3 (three) months prior to the record date (i.e., the date that may be fixed by a company for the purposes of entitlement of the holder of the securities to receive dividend or by a mutual fund or the administrator of the specified undertaking or the specified company, for the purposes of entitlement of the holder of the units to receive income, or additional unit without any consideration, as the case may be) and such person

- i. sells or transfers such securities within a period of 3 (three) months after such record date, or
- ii. sells or transfers such unit within a period of 9 (nine) months after such record date, and
- iii. the dividend or income on such securities or unit received or receivable by such person is exempt, then, any loss arising to such person on account of such purchase and sale of securities or unit, to the extent such loss does not exceed the amount of such dividend or income received or receivable, would be ignored for the purposes of computing his income chargeable to tax.

The term "unit" in the above provision means a unit of a mutual fund or the Unit Trust of India. The Finance Act, 2022 has further extended the definition of term "unit" to include the units of AIFs and business trusts such as InvITs and REITs. This amendment shall be effective from April 1, 2022.

#### General Anti-avoidance Rule ('GAAR')

The GAAR provisions provide that an arrangement whose main purpose is to obtain a tax benefit and which also satisfies at least one of the four specified tests (i.e., arrangement is not on arm's length, misuse or abuse of tax laws, lacks or is deemed to lack commercial substance or not carried out for a Bonafide purpose) can be declared as an 'impermissible avoidance arrangement'. In such cases, the tax authorities are empowered to reallocate the income from such arrangement or re-characterize or disregard the arrangement.

The provisions pertaining to GAAR are effective from financial year beginning on April 01, 2017 i.e., from Financial Year 2017-18 onwards.

Further, Rule 10U of the Rules provide that the provisions of GAAR shall not apply to an FPI who has not taken benefit under any double taxation avoidance agreement (DTAA) that India has entered into with any other country. In the present case, since the Scheme will be registered as an FPI and will not take benefit under any DTAA, the provisions of GAAR ought not to apply.

#### Securities Transaction Tax

STT is payable on the sale of securities made through a recognized stock exchange at the prescribed rates. Accordingly, the following transactions entered into on a recognized stock exchange in India will be subject to a STT levied on the transaction value.

| Transactions/Particulars   | Payable by Purchaser   | Payable by Seller |
|--|--|-------------------|
| Delivery based purchase/sale transaction in equity shares entered into in a recognized stock exchange                        | 0.1%   | 0.1%              |
| Non-delivery-based sale transaction in equity shares or units of equity-oriented fund entered in a recognised stock exchange | N.A.   | 0.025%            |
| Delivery based sale transaction of unit of equity-oriented fund  | N.A.   | 0.001%            |
| Sale of options in securities  | 0.125% of the difference between the strike price and settlement price of the option (In case option is exercised) | 0.1%              |
| Sale of futures in securities  | N.A.   | 0.02%             |
| Sale of unlisted shares under an offer for sale to the public  | N.A.   | 0.2%              |
| Sale of a unit of an equity-oriented fund to the Mutual Fund   | N.A.   | 0.001%            |
| Sale of unlisted units of a Business Trust under an offer for sale   | N.A.   | 0.2%              |
| Purchase of units of equity oriented mutual fund   | N.A.   | N.A.              |

### Stamp Duty and local taxes

The activities of the Portfolio Companies would be subject to stamp duties and other local/ municipal taxes, which would differ from state to state, city to city and between municipal jurisdictions, depending on the location where activities are carried out by the Portfolio Companies. Transfer of Units of the Scheme may be subject to stamp duty.

In the Finance Act, 2019, the Indian Government made certain amendments in the Indian Stamp Act, 1899 which includes consolidation of stamp laws, withdrawal of exemption on transfer of dematerialized securities as well as change in stamp duty rates on issuance and transfer of securities.

The relevant provisions of the Finance Act, 2019, amending the Indian Stamp Act, 1899 and the Indian Stamp (Collection of Stamp-Duty through Stock Exchanges, Clearing Corporations and Depositories) Rules, 2019 were notified together on December 10, 2019.

Also, Securities and Exchange Board of India (SEBI) has vide its circular issued on June 30, 2020, has directed AIFs to comply with the applicable provisions of the Indian Stamp Act, 1899 and the rules made thereunder regarding collection of stamp duty on sale, transfer and issue of units of AIFs w.e.f. July 01, 2020. Registrars to an Issue and/or Share Transfer Agents ("RTA") registered under SEBI (RTA) Regulations, 1993 shall be considered as "depository" for limited purpose and shall act as a "collection agent" under the Indian Stamp Act, 1899. As per section 9A of the Indian Stamp Act, 1899, no Stamp-

Duty shall be payable in respect of transactions in stock exchanges and depositories established in any IFSC.

#### Goods and Services Tax (GST)

GST is not applicable on services received by a unit in IFSC and also on services provided to IFSC/ SEZ units. As management fees will be paid by the Fund to the Investment Manager set-up as a unit in IFSC, the same should not be subject to GST.

#### 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. Along with FATCA, India is one amongst the various countries which has signed up for the implementation of Common Reporting Standards ("CRS") under the Automatic Exchange of Information mechanism which requires Indian financial institutions to report tax information about other jurisdiction account holders. The Indian Government has enacted Rules relating to FATCA and CRS reporting in India. A statement is required to be provided online in Form 61B for every calendar year by May 31. The Reporting Financial Institution is expected to maintain and report the following information with respect to each reportable account:

- A. the name, address, taxpayer identification number TIN (assigned in the country of residence) and date and place of birth DOB, POB (in the case of an individual);
- B. where an entity has one or more controlling persons that are reportable persons:
  - i. the name and address of the entity, TIN assigned to the entity by the country of its residence; and
  - ii. the name, address, DOB, POB of each such controlling person and TIN assigned to such controlling person by the country of his residence;
- C. account number (or functional equivalent in the absence of an account number);
- D. 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;
- E. the total gross amount paid or credited to the account holder with respect to the account during the relevant calendar year.

#### **IMPORTANT QUALIFICATION**

THERE CAN BE NO GUARANTEE THAT THE ABOVE POSITION REGARDING TAXATION OF THE FUND AND TAXATION OF INVESTORS OF THE FUND WOULD BE NECESSARILY ACCEPTED BY THE INCOME-TAX AUTHORITIES UNDER THE IT Act. NO REPRESENTATION IS MADE EITHER BY THE TRUSTEE 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 INVESTORS OF THE FUND BY THE INCOME TAX AUTHORITIES UNDER THE IT Act. PROSPECTIVE INVESTORS ARE URGED TO CONSULT THEIR OWN TAX ADVISERS IN THIS REGARD.

**XI. ILLUSTRATION OF FEES AND EXPENSES**

A Assumptions to the illustration

- 1 The format provided below is indicative and provided for reference only and investors should review and examine the detailed terms mentioned in the Offer Document and other Fund documents.
- 2 The Fund is open ended with no definite tenure. For the purpose of this illustration, we have assumed Year 1 only.
- 3 The Fund proposes to have the following classes of beneficial interests:

| <u>Share class</u> | <u>Minimum Investment</u> |
|--------------------|---------------------------|
| Regular            | USD 5,000                 |
| Direct             | USD 5,000                 |

- 4 Certain specified Operating Expenses shall be allocated to investors/unitholders of both plans on an actual basis, subject to a cap of 0.25% per annum (plus any applicable goods and service tax and other statutory charges payable thereon, if applicable) of the aggregate Capital Contributions. All other Operating Expenses will also be allocated to investors/unitholders of both plans on an actual basis.

For the purpose of this calculation, it is assumed that operating fees shall be calculated as a 0.25% of capital contribution.

- 5 As per the Offer Document, the Trustee shall be entitled to receive from the Fund an annual trustee fee as may be agreed from time to time between the Trustee and the Investment Manager. Further, as per Offer Document, the annual trusteeship fee is part of operating expenses and hence the same has not been reflected separately.
- 6 As per the Offer Document, the management fees shall accrue on a daily basis on the average NAV of the Units, payable monthly, and shall be calculated as under:

| <u>Share class</u> | <u>Management Fees p.a.</u> |
|--------------------|-----------------------------|
| Regular            | 1.50%                       |
| Direct             | 0.20%                       |

For the purpose of this calculation, it is assumed that management fee shall be calculated as a % of Capital Contribution.

- 7 For the purpose of this illustration, we have assumed that the amount invested by the Fund is same as the Capital Contribution received from the investors. Practically, this may vary.
- 8 For the purpose of this illustration, we have excluded taxes (if any)



|   | <b>Year 1</b>                                   |   |                           | <b>Regular</b> | <b>Direct</b> |
|---|---|---|---------------------------|----------------|---------------|
| A | Net contribution received from the Unit holders |   |                           | 5000           | 5000          |
| B | Income earned / Gain or Loss*                   | (A*10%)   | 10% annual return assumed | 500            | 500           |
| C | Fee and other expenses                          |   |                           |                |               |
|   | a. Management fees                              | (A+B) * Management Fees Rate applicable for respective shares class |                           | 1.50%          | 0.20%         |
|   |   |   |                           | 82.5           | 11            |
|   | b. Operating expenses                           | (A+B) * 0.25%^  |                           | 13.75          | 13.75         |
|   |   | Total expenses  |                           | 96.25          | 24.75         |
| D | Net invested amount in the Portfolio Companies  | (A+B-C)   |                           | 5403.75        | 5475.25       |

## XII. DISCIPLINARY HISTORY

Disciplinary History in relation to the Fund, Fund Management Entity and its directors / partners:

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.***

Nil

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

Nil

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

Nil

Disciplinary History in relation to the Trustee and its partners, designated partners and 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.***

- a. Adjudication Order No. EAD/PM-AA/AO/17/2018-19 dated July 11, 2018, issued by SEBI under Section 15-I of Securities and Exchange Board of India Act, 1992 read with Rule 5 of SEBI (Procedure for Holding Inquiry and imposing penalties) Rules, 1995 of Rs. 10,00,000/- (Rupees Ten Lakh Only) by Adjudicating Officer.

- b. Settlement Order bearing No. EAD-3/JS/GSS/80/2018-19 dated April 2, 2019, issued by SEBI under SEBI (Settlement of Administrative and Civil Proceedings) Regulations, 2014 and SEBI (Settlement Proceedings) Regulations, 2018. (Settlement amount Rs. 15,93,750 (Rupees Fifteen Lakhs Ninety-Three Thousand Seven Hundred and Fifty only) & Rs. 3,98,438 (Rupees Three Lakh Ninety-Eight Thousand Four Hundred and Thirty-Eight only) for the delay in the filing of the Settlement application)

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

Nil

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

- i. *For Company:*

- a. Administrative warning issued by SEBI vide letter dated November 14, 2013 read with letter dated January 1, 2014 on inspection of books and records of debenture trustee business.
- b. Administrative warning issued by SEBI vide letter dated August 14, 2017 on inspection of books and records of debenture trustee business.
- c. Administrative warning issued by SEBI vide letter dated May 31, 2019 on inspection of books and records of debenture trustee business.

- d. Administrative warning and deficiency letter issued by SEBI vide letter dated May 31, 2022, on books and records of debenture trustee business.
- e. Administrative warning issued by SEBI vide letter dated June 9, 2023, in relation to inspection conducted by SEBI for one of ATSL's InvIT client.
- f. Advisory issued by SEBI vide letter dated June 12, 2023 in relation to inspection conducted by SEBI for one of ATSL's REIT client.
- g. Administrative warning and Advisory, vide letter dated August 08, 2023 and September 12, 2023, respectively both issued by SEBI in relation to thematic inspection on debenture trustees.
- h. Administrative warning issued by SEBI vide letter dated September 28, 2023 in relation to non-submission of information to SEBI as required under Regulation 10(18)(a) of REIT Regulations, 2014 by one of the ATSL's REIT client.
- i. Administrative warning issued by SEBI vide letter dated October 23, 2023 in relation to thematic inspection on debenture trustees with respect to creation of charge on the security for the listed debt securities as required under SEBI circular SEBI/HO/MIRSD/CRADT/CIR/P/2020/218 dated November 03, 2020.
- j. Deficiency letter issued by SEBI vide letter dated January 11, 2024 in relation to thematic inspection of Real Estate Investment Trusts (REITs) – Compliance with REIT Regulations w.r.t submission of quarterly reports by Manager of the REIT to the Trustee.
- k. Administrative warning, Deficiency Letter, Advisory issued by SEBI vide letter dated June 28, 2024 in relation to inspection of Axis Trustee Services Limited for the inspection period from July 01, 2021 to August 30, 2023
- l. Administrative warning issued by SEBI vide letter dated November 14, 2024 in relation to Examination with respect to recording and verification of Cash flow information in the Securities and Covenant Monitoring (SCM) system by Axis Trustee Services Limited, (ATSL) for the secured listed ISINs.
- m. Administrative warning, Deficiency, Advisory issued by SEBI vide letter dated March 17, 2025 in relation to inspection of Axis Trustee Services Limited for the inspection period from September 01, 2023 to April 30, 2024.
- n. Administrative warning issued by SEBI vide letter dated March 18, 2025, in relation to inspection of Axis Trustee Services Limited with respect to thematic inspection for Event of Defaults.
- o. Administrative warning and advisory issued by SEBI vide letter dated March 24, 2025, in relation to inspection of REIT Client of Axis Trustee Services Limited.
- p. Advisory issued by SEBI vide letter dated March 25, 2025, in relation to inspection of InvIT Client of Axis Trustee Services Limited.
- q. Advisory issued by SEBI vide letter dated March 28, 2025, in relation to inspection of InvIT Client of Axis Trustee Services Limited.
- r. Advisory issued by SEBI vide letter dated March 28, 2025, in relation to inspection of InvIT Client of Axis Trustee Services Limited.
- s. Deficiencies and advisory for issued by SEBI vide letter dated March 28, 2025, in relation to inspection of REIT Client of Axis Trustee Services Limited
- t. Administrative Warning and Advisory issued by SEBI vide letter dated March 28, 2025, in relation to inspection of InvIT Client of Axis Trustee Services Limited.
- u. Advisory issued by SEBI vide letter dated March 28, 2025, in relation to inspection of InvIT Client of Axis Trustee Services Limited.
- v. Administrative, Deficiency and Advisory issued by SEBI vide letter dated March 28, 2025, in relation to inspection of InvIT Client of Axis Trustee Services Limited.
- w. Advisory issued by SEBI vide letter dated March 28, 2025, in relation to inspection of REIT Client of Axis Trustee Services Limited.

- x. Deficiency and Advisory issued by SEBI vide letter dated March 28, 2025, in relation to inspection of REIT Client of Axis Trustee Services Limited.
- y. Advisory issued by SEBI vide letter dated March 28, 2025, in relation to inspection of InvIT Client of Axis Trustee Services Limited.
- z. Administrative Warning issued by SEBI vide its letter dated March 28, 2025 in relation to inspection of InvIT client of Axis Trustee Services Limited.
- aa. Administrative, Deficiency and Advisory issued by SEBI vide its letter dated April 01, 2025, in relation to inspection of InvIT client of Axis Trustee Services Limited.
- bb. Advisory issued by SEBI vide its letter dated April 03, 2025, in relation to inspection of InvIT client of Axis Trustee Services Limited.
- cc. Show cause notice dated May 30, 2025, issued by SEBI under rule 4(1) of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 w.r.t Role of Axis Trustee in the matter of Fit and Proper Criteria in relation to KMP of a REIT client.
- dd. Administrative Warning issued by IFSCA vide its letter dated September 08, 2025, in relation to inspection of FME client of Axis Trustee Services Limited
- ee. Warning issued by IFSCA vide its letter dated September 23, 2025, in relation to non-compliance in appointment of fund administrator in case of FME client of Axis Trustee Services Limited

Administrative warnings mentioned above in (a) to (d), (g) (i), (k), (l), (m) (n), are operational actions issued by SEBI as part of routine inspection of books and records of debenture trustee business.

Administrative warnings and advisory letters mentioned above in (e), (f), (o) to (bb) are operational actions issued by SEBI as part of routine inspection of ATSL's InvIT & REIT client respectively.

Administrative warnings letter mentioned above in (h) and (j) is an operational action issued by SEBI as part of routine submission by ATSL to SEBI w.r.t compliance status of ATSL's REIT client.

Warning letter mentioned above in (dd) is an operational action issued by IFSCA as part of routine inspection of FME client of ATSL w.r.t compliance of IFSCA (Fund Management) Regulations, 2025.

Warning letter mentioned above in (ee) is an operational action issued by IFSCA for one of FME client of ATSL w.r.t compliance of IFSCA (Fund Management) Regulations, 2025.

ii. For Directors:

- a. Administrative warning issued by SEBI vide letter dated March 31, 2022, to Mr. Prashant Joshi, Director of the Company w.r.t. violation of SEBI (PIT) Regulations in the matter of Axis Bank Ltd

### XIII.GLOSSARY

*Capitalized terms used in this Offer Document and otherwise not defined herein shall have the meanings specified to them in the Fund Documents unless the context otherwise requires. Further, in addition to the terms defined elsewhere in this Offer Document, whenever used in this Offer Document, unless repugnant to the meaning or context thereof, the following words and terms shall have the meanings set forth below:*

|   |  |
|---|--|
| <b>Accredited Investors</b>               | Means such type of investors who fulfil the eligibility criteria prescribed by IFSCA from time to time.  |
| <b>Affiliates</b>                         | means, with respect to any specified Person, any Person (other than a natural person), which, directly or indirectly, controls, is controlled by or is under common Control with such specified person. "Control" shall mean, as applied to any Person, the power or right to, directly or indirectly (i) direct or cause the direction of the management of that Person; (ii) direct or cause the direction of the policy decisions exercisable by that Person; or (iii) nominate for appointment the majority of the directors on the board of directors of that Person, by virtue of ownership or by virtue of receiving the economic benefit of ownership of voting securities or management rights or contract or in any other manner. In case of an individual, Affiliate shall mean to include his "relative" as defined in Section 2(77) of the Companies Act, 2013.                     |
| <b>AIF or Alternative Investment Fund</b> | Means an alternative investment fund as defined and construed in the AIF Regulations.  |
| <b>AIF Regulations</b>                    | Means the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as may be amended from time to time.  |
| <b>Associates</b>                         | means, with respect to an FME:<br><br>a company or a limited liability partnership (LLP) or a body corporate in which a director or trustee or director of the Investment or the Investment Manager or any fiduciaries as defined in the FM Regulations, either individually or collectively, hold twenty percent or more of its paid-up equity share capital or partnership interest, as the case may be;<br><br>a company or a limited liability partnership or a body corporate, either individually or collectively, hold twenty percent or more of its paid-up equity share capital or partnership interest, as the case may be in the FME;<br><br>any other company or a limited liability partnership or a body corporate, in which the entity referred in clause (b) above holds twenty percent or more of its paid-up equity share capital or partnership interest, as the case may be. |

|   |   |
|---|---|
| <b>Applicable Law</b>                             | Means the laws of the Indian and IFSC and includes ordinance, order, bye-law, administrative interpretation, writ, injunction, directive, judgment or decree or other instrument which has a force of law in the IFSC and rules and regulations issued pursuant to or under such laws, including the FM Regulations, FPI Regulations and SEBI (Mutual Funds) Regulations, 1996 (each such law, regulation, rule, circular, by whatever name called, as amended or supplemented to from time to time). |
| <b>Application Form</b>                           | Means the duly executed application form that may be availed from any of the service centers / branch / office of Investment Manager, from the service provider or Placement Agents, or in such other manner as may be determined by the Investment Manager, to be submitted by the Contributor for subscription of Units in the Fund.  |
| <b>Beneficial Interest</b>                        | Shall have the meaning assigned to it in <b>SECTION VI: PRINCIPAL TERMS OF the Fund.</b>  |
| <b>Body Corporate</b>                             | Means any company, limited liability partnership, body corporate or other artificial juridical Person incorporated under Applicable Law or laws of other jurisdiction, competent to contract as a legal Person distinct from its owners or members, and whose life extends beyond the life of its owners or members.  |
| <b>Business Day</b>                               | Business Day(s) means any day (except Saturdays, Sundays or official public holidays and such other day as the Investment Manager, in consultation with the Trustee, may determine) on which banks and securities markets in India are generally open for non-automated business.   |
| <b>Calendar Day</b>                               | Means all days in a month, including Saturdays and Sundays and any other holidays.  |
| <b>Capital Contribution</b>                       | Means with respect to any Contributor, amounts that have been paid agreed to be paid by a Contributor in accordance with the duly signed and completed application form.  |
| <b>CMI Regulations</b>                            | Means the IFSCA (Capital Market Intermediaries) Regulations as amended, modified, restated, and/or enacted from time to time.   |
| <b>Companies Act</b>                              | Means Companies Act, 2013.  |
| <b>Contributor or Unitholder or Beneficiaries</b> | Shall have the meaning assigned to it in <b>SECTION VI: PRINCIPAL TERMS OF THE FUND</b> and shall always be non-resident as per section 6 of Income-tax Act, 1961.  |
| <b>Dealing Day</b>                                | <b>For Purchase Units:</b> <ul style="list-style-type: none"><li>• In respect of valid applications received and where the funds for the entire amount are available for utilization before 12 p.m. - the closing NAV of the same Business Day shall be applicable; and</li></ul>   |

- In respect of valid applications received. and where the funds for the entire amount are available for utilization after 12 p.m. - the closing NAV of the next Business Day shall be applicable.

**For Redemption of Units:**

- Where the valid application is received up to 12 p.m. on a Business Day, the Closing NAV of the day of receipt of application; and
- Where the valid application is received after 12 p.m. on a Business Day, the Closing NAV of the next Business Day.

|                                       |   |
|---------------------------------------|---|
| <b>Distributable Proceeds</b>         | Shall have the meaning assigned to it in <b>SECTION VI: PRINCIPAL TERMS OF THE FUND.</b>  |
| <b>Event of Termination</b>           | Shall have the meaning assigned to it in <b>SECTION VI: PRINCIPAL TERMS OF THE FUND.</b>  |
| <b>Redemption Fees</b>                | Shall have the meaning assigned to it in <b>SECTION VI: PRINCIPAL TERMS OF THE FUND.</b>  |
| <b>Exiting Contributor</b>            | Shall have the meaning assigned to it in <b>SECTION VI: PRINCIPAL TERMS OF THE FUND.</b>  |
| <b>FATF</b>                           | Means the financial action task force.  |
| <b>Fund</b>                           | Means Sundaram India Mid Cap – GIFT.  |
| <b>Fund Documents</b>                 | The Indenture, the Investment Management Agreement and the Application Form for the Fund.   |
| <b>Fund Expenses</b>                  | Shall have the meaning assigned to it in <b>SECTION VI: PRINCIPAL TERMS OF THE FUND.</b>  |
| <b>FDI</b>                            | Means Foreign Direct Investment.  |
| <b>FDI Route</b>                      | Shall have the meaning assigned to it in <b>SECTION X: LEGAL, REGULATORY AND TAX CONSIDERATIONS.</b>  |
| <b>FEMA</b>                           | Means the Foreign Exchange Management Act, 1999.  |
| <b>FM Regulations</b>                 | means the IFSCA (Fund Management) Regulations, 2025, as amended, modified, restated, and/or enacted from time to time. The term 'FM Regulations' shall also deem to include all guidelines, directions, regulations, rules, circulars and notifications issued by any government or any statutory or regulatory authority or IFSCA for the operation and management of FMEs and their schemes, or any legislation in regard thereto, if applicable to the Investment Manager or Fund. |
| <b>FME / "Fund Management Entity"</b> | means an entity registered with IFSCA as a Fund Management Entity under any of the categories specified in the FM Regulations.  |

|  |   |
|--|---|
| <b>FII</b>                             | Means a Foreign Institutional Investor.   |
| <b>FPI(s)</b>                          | Means a Foreign Portfolio Investors.  |
| <b>FY</b>                              | Means Financial Year  |
| <b>GDP</b>                             | Means Gross Domestic Product  |
| <b>GST</b>                             | Shall have the meaning assigned to it in <b>SECTION X: LEGAL, REGULATORY AND TAX CONSIDERATIONS.</b>  |
| <b>HNI</b>                             | Means a High Net-worth Individual.  |
| <b>IDCW</b>                            | Means Income Distribution cum Capital Withdrawal.   |
| <b>IFSC</b>                            | Means International Financial Services Centre   |
| <b>Indemnified Person</b>              | Shall have the meaning assigned to it in <b>SECTION VI: PRINCIPAL TERMS OF THE FUND.</b>  |
| <b>Identified Claim</b>                | Shall have the meaning assigned to it in <b>SECTION VI: PRINCIPAL TERMS OF THE FUND.</b>  |
| <b>Indenture</b>                       | Means the Indenture of Trust as originally executed by and between the Settlor and the Trustee and as amended, modified, supplemented or restated from time to time, together with all Annexes and Schedules, if any. |
| <b>Initial Offering Period</b>         | Shall have the meaning assigned to it in <b>SECTION VI: PRINCIPAL TERMS OF THE FUND.</b>  |
| <b>INR/Rs.</b>                         | Means Indian Rupees or the lawful currency of the Republic of India from time to time.  |
| <b>Interested Parties</b>              | Shall have the meaning assigned to it in <b>SECTION VIII: CONFLICTS OF INTEREST.</b>  |
| <b>Investment Management Agreement</b> | Shall have the meaning assigned to it in <b>SECTION V: GOVERNANCE STRUCTURE.</b>  |
| <b>Investment Manager</b>              | Shall have the meaning assigned to it in <b>SECTION V: GOVERNANCE STRUCTURE.</b>  |
| <b>Investment Objective</b>            | Shall have the meaning assigned to it in <b>SECTION VI: PRINCIPAL TERMS OF THE FUND.</b>  |
| <b>Investments</b>                     | Means Portfolio Investments and Temporary Investments referred collectively.  |
| <b>InvITs</b>                          | Means Infrastructure Investment Trusts.   |

|  |   |
|--|---|
| <b>IPO</b>                                     | Shall have the meaning assigned to it in <b>SECTION X: LEGAL, REGULATORY AND TAX CONSIDERATIONS.</b>  |
| <b>IRS</b>                                     | Shall have the meaning assigned to it in <b>SECTION X: LEGAL, REGULATORY AND TAX CONSIDERATIONS.</b>  |
| <b>ITA</b>                                     | Means the Income-tax Act, 1961, as amended from time to time.   |
| <b>ITR</b>                                     | Means the Income-tax Rules, 1962, as amended from time to time.   |
| <b>Key Managerial Persons</b>                  | Shall have the meaning assigned to it in <b>SECTION V: GOVERNANCE STRUCTURE.</b>  |
| <b>Launch Day</b>                              | Shall have the meaning assigned to it in <b>SECTION VI: PRINCIPAL TERMS OF THE FUND.</b>  |
| <b>Losses</b>                                  | Shall have the meaning assigned to it in <b>SECTION VI: PRINCIPAL TERMS OF THE FUND.</b>  |
| <b>Management Fee</b>                          | Shall have the meaning assigned to it in <b>SECTION VI: PRINCIPAL TERMS OF THE FUND.</b>  |
| <b>MAT</b>                                     | Shall have the meaning assigned to it in <b>SECTION X: LEGAL, REGULATORY AND TAX CONSIDERATIONS.</b>  |
| <b>MD</b>                                      | Means Managing Director   |
| <b>Offer Document</b>                          | Means the offering Offer Document (by whatever name called) and all supplements and amendments thereto, issued by the Trustee or the Investment Manager for the Fund, inviting offers for Capital Contributions from prospective Contributors for the subscription and purchase of Units of the Fund. |
| <b>MIIs</b>                                    | Market Infrastructure Institutions  |
| <b>MMR</b>                                     | Shall have the meaning assigned to it in <b>SECTION X: LEGAL, REGULATORY AND TAX CONSIDERATIONS.</b>  |
| <b>NCCT</b>                                    | Shall have the meaning assigned to it in <b>SECTION VI: PRINCIPAL TERMS OF THE FUND.</b>  |
| <b>NAV</b>                                     | Means Net Asset Value.  |
| <b>NDI Rules or Non-Debt Instruments Rules</b> | Means the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended from time to time.   |
| <b>NEFT</b>                                    | Means National Electronic Funds Transfer  |
| <b>NFO Period</b>                              | Shall have the meaning assigned to it in <b>SECTION VI: PRINCIPAL TERMS OF THE FUND.</b>  |
| <b>NRI</b>                                     | Means a non-resident Indian.  |

|                               |   |
|-------------------------------|---|
| <b>Offering Price</b>         | Shall have the meaning assigned to it in <b>SECTION VI: PRINCIPAL TERMS OF THE FUND.</b>  |
| <b>Other Expenses</b>         | Shall have the meaning assigned to it in <b>SECTION VI: PRINCIPAL TERMS OF THE FUND.</b>  |
| <b>PAN</b>                    | Means Permanent Account Number  |
| <b>Percentage Interest</b>    | Shall have the meaning assigned to it in <b>SECTION VI: PRINCIPAL TERMS OF THE FUND.</b>  |
| <b>Person</b>                 | Includes an individual, proprietorship, partnership firm, company, trust, a body corporate as defined in Section 2(11) of the Companies Act, 2013, a co-operative society and any body or organisation of individuals or persons whether incorporated in India or outside of India, including a limited liability partnership defined under the Limited Liability Partnership Act, 2008.  |
| <b>Placement Agent</b>        | Shall have the meaning assigned to it in <b>SECTION VI: PRINCIPAL TERMS OF THE FUND.</b>  |
| <b>PMLA</b>                   | Means the Prevention of Money Laundering Act, 2002, as amended from time to time.   |
| <b>PMLA Amendment Act</b>     | Means the Prevention of Money Laundering (Amendment) Act, 2013.   |
| <b>Portfolio Entities</b>     | Means the Underlying Funds, in which the Fund is permitted to invest (whether by means of subscription, purchase or otherwise) in accordance with its Investment Objective and Applicable Law, either directly or indirectly through any suitable vehicle incorporated or structure setup in any jurisdiction and excludes Temporary Investments.   |
| <b>Portfolio Investment</b>   | Means investments (including any re-investments) in securities of one or more Portfolio Entities made by the Fund from time to time.  |
| <b>Principal Rules</b>        | Shall have the meaning assigned to it in <b>SECTION X: LEGAL, REGULATORY AND TAX CONSIDERATIONS.</b>  |
| <b>Qualified Contributors</b> | means any Person (in case of an individual being over the age of 18 years) and who is a non-resident as per section 6 of the Income-tax Act, 1961, but does not include (i) any Person who cannot acquire or hold Units without being in breach of any Applicable Law or requirement of India or such other jurisdiction as applicable to such Person, (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 sub-clauses (i)-(ii) above. |

|                               |  |
|-------------------------------|--|
| <b>RBI</b>                    | Means the Reserve Bank of India.   |
| <b>RBI Master Circular</b>    | Shall have the meaning assigned to it in <b>SECTION X: LEGAL, REGULATORY AND TAX CONSIDERATIONS.</b>   |
| <b>REITs</b>                  | Means Real Estate Investment Trusts.   |
| <b>RTAs</b>                   | Means the registrars to an issue and share transfer agents   |
| <b>RTGS</b>                   | Means real-time gross settlement.  |
| <b>Rules</b>                  | Shall have the meaning assigned to it in <b>SECTION X: LEGAL, REGULATORY AND TAX CONSIDERATIONS.</b>   |
| <b>SEBI</b>                   | Means the Securities and Exchange Board of India.  |
| <b>SEBI Act</b>               | Means the Securities and Exchange Board of India Act, 1992, as amended from time to time.  |
| <b>Settlor</b>                | Shall have the meaning assigned to it in <b>SECTION IV: FUND STRUCTURE.</b>  |
| <b>SME</b>                    | Means small and medium enterprises.  |
| <b>STT</b>                    | Shall have the meaning assigned to it in <b>SECTION X: LEGAL, REGULATORY AND TAX CONSIDERATIONS.</b>   |
| <b>Super Majority Consent</b> | Shall have the meaning assigned to it in <b>SECTION VI: PRINCIPAL TERMS OF THE FUND.</b>   |
| <b>Target Investors</b>       | Shall have the meaning assigned to it in <b>SECTION VI: PRINCIPAL TERMS OF THE FUND.</b>   |
| <b>Taxes</b>                  | Means any and all present and future taxes, including without limitation to taxes, cess or surcharge thereon; on gross receipts, services provided, interest, sales, turn-over, value added, use consumption, property, income, franchise, capital, occupation, license, excise, interest and includes documentary stamp duties/taxes, and customs and other duties, assessments, penalties/fines, or charges or fees, interest however imposed, withheld, levied, or assessed by any country or government subdivision thereof or any other taxing authority and in relation to goods and services tax or other indirect taxes, payable to the person by whom it is leviable. |
| <b>TCS</b>                    | Shall have the meaning assigned to it in <b>SECTION X: LEGAL, REGULATORY AND TAX CONSIDERATIONS.</b>   |
| <b>TDS</b>                    | Shall have the meaning assigned to it in <b>SECTION X: LEGAL, REGULATORY AND TAX CONSIDERATIONS.</b>   |
| <b>Temporary Investments</b>  | Shall have the meaning assigned to it in <b>SECTION VI: PRINCIPAL TERMS OF THE FUND.</b>   |

|                         |  |
|-------------------------|--|
| <b>Trading Expenses</b> | Shall have the meaning assigned to it in <b>SECTION VI: PRINCIPAL TERMS OF THE FUND.</b>                 |
| <b>TRC</b>              | Shall have the meaning assigned to it in <b>SECTION X: LEGAL, REGULATORY AND TAX CONSIDERATIONS.</b>     |
| <b>Treaty</b>           | Shall have the meaning assigned to it in <b>SECTION X: LEGAL, REGULATORY AND TAX CONSIDERATIONS.</b>     |
| <b>Trustee</b>          | Shall have the meaning assigned to it in <b>SECTION IV: FUND STRUCTURE.</b>                              |
| <b>Trusteeship Fees</b> | Shall have the meaning assigned to it in <b>SECTION VI: PRINCIPAL TERMS OF THE FUND.</b>                 |
| <b>Underlying Funds</b> | Shall have the meaning assigned to it in <b>SECTION III: INVESTMENT OBJECTIVE, STRATEGY AND PROCESS.</b> |
| <b>Unitholders</b>      | Shall have the meaning assigned to it in <b>SECTION VI: PRINCIPAL TERMS OF THE FUND.</b>                 |
| <b>Units</b>            | Shall have the meaning assigned to it in <b>SECTION VI: PRINCIPAL TERMS OF THE FUND.</b>                 |
| <b>USD</b>              | Means United States Dollars.   |
| <b>VCF</b>              | Means Venture Capital Fund.  |

#### XIV. SUMMARY OF CUMULATIVE FEES AND EXPENSES

The following is a summary of cumulative fees and expenses chargeable to a Contributor, attributable to the Fund as well as indirect expenses applicable to the Contributor vis a vis the Underlying Funds. For specific details, please refer to 'SECTION VI: PRINCIPAL TERMS OF THE FUND' of this Offer Document.

| Share Class | Management Fees | Redemption Fees  | Operating Expenses | Underlying Fund Fees | Overall Total Expense Ratio |
|-------------|-----------------|--|--------------------|----------------------|-----------------------------|
| Direct      | 0.20%           | 2% for redemption in year 1<br>1% for redemption in year 2 | 0.25%              | 0.90%                | 1.35%                       |
| Regular     | 1.50%           | 2% for redemption in year 1<br>1% for redemption in year 2 | 0.25%              | 0.90%                | 2.65%                       |

### ANNEXURE I: KEY TERMS OF THE UNDERLYING FUNDS

Disclaimer: This is only a summary of the key terms of the Underlying Fund and should not be construed to be a complete explanation of all of the terms pertaining to the offering of the Underlying Funds. Potential investors should read the Scheme Information Document of the Underlying Funds in its entirety, which is available at [www.sundarammutual.com](http://www.sundarammutual.com).

#### Sundaram Mid Cap Fund

The fund feeds into the Sundaram Mid Cap Fund, a SEBI registered open ended equity mutual fund that predominantly investing in mid cap stocks

- Emerging opportunities of Mid Cap: Sundaram Mid Cap Fund aims to identify opportunities in high growth categories with reasonable valuations. The fund follows a strategy of bottom-up stock selection that aligns with macroeconomic trends
- The fund employs a balanced structural and cyclical approach
- The fund invests in emerging leaders with strong finances, earnings growth, innovative products or technologies and focused businesses.

Sundaram Mid Cap fund is one of Sundaram's oldest funds and has generated superior returns over time. The Fund's strong track record and market rankings make it an attractive investment, banking on Sundaram's legacy of investing in mid and small cap names with a consistent and disciplined investment approach.

| <b>31-Jul-25</b>     | <b>1Y</b> | <b>2Y</b> | <b>3Y</b> | <b>5Y</b> | <b>10Y</b> | <b>Since inception</b> |
|----------------------|-----------|-----------|-----------|-----------|------------|------------------------|
| Sundaram Midcap      | -3.1%     | 22.0%     | 20.8%     | 24.4%     | 10.8%      | 20.8%                  |
| MSCI India TR        | -8.0%     | 11.7%     | 10.3%     | 14.6%     | 8.4%       | 13.1%                  |
| Excess returns       | 4.9%      | 10.3%     | 10.5%     | 9.7%      | 2.4%       | 7.6%                   |
| MSCI India Midcap TR | -8.3%     | 16.3%     | 15.2%     | 17.7%     | 8.8%       | 15.2%                  |
| Excess returns       | 5.2%      | 5.7%      | 5.6%      | 6.7%      | 2.1%       | 5.6%                   |

*Past performance may or may not be sustained in the future. Performance of Regular – Growth (net of fees). Returns beyond 1 year have been annualized.*

**ANNEXURE II: PERFORMANCE RECORD AND SHAREHOLDING OF SUNDARAM ASSET MANAGEMENT COMPANY LIMITED**

**A. Performance Record**

| Year      | Financial Information  |
|-----------|--|
| 2024-2025 | Please refer to the financial information for the year 2024-2025 below:<br><br><a href="https://www.sundarammutual.com/auditreports_pdf/2024-2025/SAMCL_Annual_Report_2024_25.pdf">https://www.sundarammutual.com/auditreports_pdf/2024-2025/SAMCL_Annual_Report_2024_25.pdf</a>       |
| 2023-2024 | Please refer to the financial information for the year 2023-2024 below:<br><br><a href="https://www.sundarammutual.com/auditreports_pdf/2023-2024/SAMCL_Annual_Report_2023_24.pdf">https://www.sundarammutual.com/auditreports_pdf/2023-2024/SAMCL_Annual_Report_2023_24.pdf</a>       |
| 2022-2023 | Please refer to the financial information for the year 2022-2023 below:<br><br><a href="https://www.sundarammutual.com/auditreports_pdf/2022-2023/SAMCL_Annual_Report_2022_23_V1.pdf">https://www.sundarammutual.com/auditreports_pdf/2022-2023/SAMCL_Annual_Report_2022_23_V1.pdf</a> |
| 2021-2022 | Please refer to the financial information for the year 2021-2022 below:<br><br><a href="https://www.sundarammutual.com/auditreports_pdf/2021-2022/SAMCL_Annual_Report_2021_22_V1.pdf">https://www.sundarammutual.com/auditreports_pdf/2021-2022/SAMCL_Annual_Report_2021_22_V1.pdf</a> |

**B. Shareholding Pattern of Sundaram Asset Management Company Limited**

100% (Hundred percent) shares of M/s. Sundaram Asset Management Company Limited are held by its sponsor M/s. Sundaram Finance Limited along with its 6 (six) nominee shareholders. The following table shows the composition:

| S.NO | NAME   | NUMBER OF SHARES   | PERCENTAGE OF HOLDING |
|------|--|--------------------|-----------------------|
| 1.   | Sundaram Finance Limited (SFL)               | 9,62,51,542        | 99.04 %               |
|      | <b>Nominees of SFL</b>                       |                    | 0.16 %                |
| 2.   | Mr. T T Srinivasa Raghavan & Mr. P N Srikant | 4                  | 0.16 %                |
| 3.   | Mr. S Balakrishnan & Mrs. S Karthika         | 4                  | 0.16 %                |
| 4.   | Mr. P K Ranganathan & Mrs. S Shobana         | 4                  | 0.16 %                |
| 5.   | Mr. R Srivathsun & Mr. G Narasimhan          | 4                  | 0.16 %                |
| 6.   | Mr. A N Raju & Mr. P Viswanathan             | 4                  | 0.16 %                |
| 7.   | Mr. M Ramaswamy & Mr. V K Raman              | 4                  | 0.16 %                |
|      | <b>Total</b>                                 | <b>9,62,51,566</b> | <b>100 %</b>          |