SUPPLEMENT 3 DATED 27th February, 2018
to the Prospectus issued for UTI Goldfinch Funds Plc dated 1st November, 2017

UTI India Balanced Fund

This Supplement contains information relating specifically to the UTI India Balanced Fund (the "Fund"), a sub-fund of **UTI Goldfinch Funds PLC** (the "Company"), an open-ended umbrella type investment company with segregated liability between sub-funds and authorised by the Central Bank on 30th September, 2014 as a UCITS pursuant to the UCITS Regulations.

This Supplement forms part of and should be read in the context of and in conjunction with the Prospectus for the Company dated 1st November, 2017, as amended by the First Addendum to the Prospectus dated 22nd January, 2018 (the "Prospectus") which precedes this Supplement and is incorporated herein.

As at the date of this Supplement, the Company has two other existing funds, **UTI India Sovereign Bond UCITS ETF** and **UTI India Dynamic Equity Fund**.

The Directors of the Company whose names appear in the Prospectus under the heading "Management and Administration" accept responsibility for the information contained in this Supplement and the Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Supplement and in the Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

The Directors currently do not intend to seek a listing of the Shares with the Irish Stock Exchange. In future, should the Directors decide to create additional Funds or Classes, the Company may in its discretion apply for the Shares of such Funds to be listed on the Irish Stock Exchange. For so long as the Shares of any Fund are listed on any Irish Stock Exchange, the Company shall endeavour to comply with the requirements of the Irish Stock Exchange relating to those Shares. For the purposes of compliance with the national laws and regulations concerning the offering and/or listing of the Shares outside Ireland this document may have attached to it one or more documents setting out information relevant for the jurisdictions in which the Shares are offered for subscription.

Investors should read and consider the section entitled "Risk Factors" in both the Prospectus and this Supplement before investing in the Fund.

This document does not constitute or form part of any offer or invitation to sell or issue, or the solicitation of any offer to purchase or subscribe for Shares in any jurisdiction in which such offer or solicitation is unlawful.

1. Interpretation

Capitalised expressions used and not defined below shall bear the meanings as set out in the Prospectus.

The expressions below shall have the following meanings:

"Application Form"	means any application form as the Directors may prescribe, to be completed by investors subscribing for Shares in the Fund.
"Base Currency"	USD.
"Business Day"	means any day (except Saturday or Sunday) on which (i) banks & stock exchanges in India, and (ii) banks in Ireland and Singapore are generally open for business, or (iii) if there is more than one such securities markets, the securities market designated by the Investment Manager, in consultation with the directors, is open for normal trading, or such other day or days as may be determined by the Directors from time to time and notified in advance to the Shareholders.
"Dealing Day"	means 9 a.m. (Irish time) on the relevant Business Day, or such other time as the Directors may determine and notify to Shareholders.
"Dealing Deadline"	means 9 a.m.(Irish time) on the Business Day, or such other time as the Directors may determine and notify to Shareholders, provided always that the Dealing Deadline preceeds the Valuation Point.
"FII"	means Foreign Institutional Investor.
"FII Regulations"	means Foreign Institutional Regulations, 1995.
"FPI"	means Foreign Portfolio Investor.
"FPI Regulations"	means SEBI (Foreign Portfolio Investors) Regulations, 2014.
"Initial Price"	USD 10.00.
"INR"	means, Indian rupee, the lawful currency for the time being of India.

"Investment Manager" means UTI International (Singapore) Private Limited.

"RBI" means the Reserve Bank of India.

"SEBI" means the Securities and Exchange Board of India.

"Valuation Point" means 12 noon (Irish time) on the relevant Business Day.

All other defined terms used in this Supplement shall have the same meaning as in the Prospectus.

2. Share Classes

Class	Class Currency	Initial Price	Minimum Transaction Size for Initial investment	Minimum Holding amount	Minimum Transaction Size for subsequent investments	Minimum Transaction Size for redemptions	Hedged/ Unhedged	Distributing Class/ Accumulating Class
USD Retail Dist.	USD	10.00	500	500	500	500	Unhedged	Distributing
USD Retail Accum.	USD	10.00	500	500	500	500	Unhedged	Accumulating
USD Institutional Dist.	USD	10.00	500,000	500,000	50,000	50,000	Unhedged	Distributing
USD Institutional Accum.	USD	10.00	500,000	500,000	50,000	50,000	Unhedged	Accumulating
Class C USD Accum.	USD	10.00	500	500	500	500	Unhedged	Accumulating
Class C USD Dist.	USD	10.00	500	500	500	500	Unhedged	Distributing
Class D USD Dist.	USD	10.00	500	500	500	500	Unhedged	Distributing
Class D USD Accum.	USD	10.00	500	500	500	500	Unhedged	Accumulating
USD RDR Dist.	USD	10.00	500	500	500	500	Unhedged	Distributing
USD RDR Accum.	USD	10.00	500	500	500	500	Unhedged	Accumulating
Euro Institutional Dist.	Euro	10.00	500,000	500,000	50,000	50,000	Unhedged	Distributing
Euro Institutional	Euro	10.00	500,000	500,000	50,000	50,000	Unhedged	Accumulating

Accum.								
Euro Retail Dist.	Euro	10.00	500	500	500	500	Unhedged	Distributing
Euro Retail Accum.	Euro	10.00	500	500	500	500	Unhedged	Accumulating
CHF Retail Dist.	CHF	10.00	500	500	500	500	Unhedged	Distributing
CHF Retail Accum.	CHF	10.00	500	500	500	500	Unhedged	Accumulating
CHF Institutional Dist.	CHF	10.00	500,000	500,000	50,000	50,000	Unhedged	Distributing
CHF Institutional Accum.	CHF	10.00	500,000	500,000	50,000	50,000	Unhedged	Accumulating
SGD Retail Dist.	SGD	10.00	500	500	500	500	Unhedged	Distributing
SGD Retail Accum.	SGD	10.00	500	500	500	500	Unhedged	Accumulating
SGD Institutional Dist.	SGD	10.00	500,000	500,000	50,000	50,000	Unhedged	Distributing
SGD Institutional Accum.	SGD	10.00	500,000	500,000	50,000	50,000	Unhedged	Accumulating
AUD Institutional Dist.	AUD	10.00	500,000	500,000	50,000	50,000	Unhedged	Distributing
AUD Institutional Accum.	AUD	10.00	500,000	500,000	50,000	50,000	Unhedged	Accumulating
AUD Retail Dist.	AUD	10.00	500	500	500	500	Unhedged	Distributing
AUD Retail Accum.	AUD	10.00	500	500	500	500	Unhedged	Accumulating
JPY Institutional Dist.	JPY	10.00	500,000	500,000	50,000	50,000	Unhedged	Distributing
JPY Institutional Accum.	JPY	10.00	500,000	500,000	50,000	50,000	Unhedged	Accumulating
JPY Retail Dist.	JPY	10.00	500	500	500	500	Unhedged	Distributing
JPY Retail Accum.	JPY	10.00	500	500	500	500	Unhedged	Accumulating
GBP RDR Dist.	GBP	10.00	500,000	500,000	50,000	50,000	Unhedged	Distributing
GBP RDR	GBP	10.00	500,000	500,000	50,000	50,000	Unhedged	Accumulating

Accum.								
GBP Retail Dist.	GBP	10.00	500	500	500	500	Unhedged	Distributing
GBP Retail Accum.	GBP	10.00	500	500	500	500	Unhedged	Accumulating
GBP Institutional Dist.	GBP	10.00	500,000	500,000	50,000	50,000	Unhedged	Distributing
GBP Institutional Accum.	GBP	10.00	500,000	500,000	50,000	50,000	Unhedged	Accumulating

The Directors have the power to issue further Classes of Shares upon prior notification to and clearance in advance from the Central Bank.The Directors reserve the right to differentiate between Shareholders as to and waive or reduce the Minimum Transaction Size for Initial investment, the Minimum Holding amount, the Minimum Transaction Size for subsequent investments and the Minimum Transaction Size for redemptions for certain Shareholders.

3. Investment Objective

The investment objective of the Fund is to provide moderate growth as well as income using an active asset allocation approach to Indian equity and debt.

4. Investment Policy

The Fund aims to achieve a higher return for investors by dynamic asset allocation between debt and equity which will be done on a quarterly basis. The equity portion of the Fund will invest in a diversified portfolio of stocks, as further described below, with predominant exposure to large cap companies. The debt portion of the scheme will be invested in high quality fixed income instruments.

The maximum and minimum allocation in equity and debt expressed as a percentage of the Fund's Net Asset Value is as follows:

Instrument	Minimum Investment	Maximum Investment
Equity	30%	70%
Debt and Debt related instruments	30%	70%

Equity

The equity portion of the Fund will be invested in the diversified portfolio of equities and equity related securities of (i) large, mid and small-cap companies which have their registered office in India and are listed on Recognised Exchanges worldwide, (ii) large, mid and small-cap companies that exercise a preponderant part of their economic activity in India and are listed on Recognised Exchanges worldwide and/or (iii) large, mid and small-cap companies whose equity and equity related securities are listed, traded or dealt in on Indian stock exchanges listed in Appendix II of the Prospectus.

The Investment Manager uses a percentile definition for the purpose of defining large, mid and small-cap companies. A universe of all of the listed stocks is drawn from securities listed in exchanges and a designated list of stocks prepared by the Investment Advisor and then these stocks are listed as per the market capitalisation from top to bottom. Large cap companies are the 1^{st} - 100^{th} companies in India in terms of their full market capitalisation. Mid cap companies are the 101^{st} - 250^{th} companies in India in terms of their full market capitalisation and finally small cap companies will be any company above 250^{th} company in India in terms of their full market capitalisation. The Investment Advisor recommends individual securities which are included on its designated list within set asset allocation parameters. The Investment Advisor selects the securities which it then recommends by evaluating various factors such as credit ratings, quality of earnings, management quality and market environment.

The Investment Advisor has a large research team working with it based in India and for this reason, it is engaged by the Investment Manager to carry out research in India and then to advise the Investment Manager with a list of recommended stocks compiled using their expertise. The list, which usually consists of 350 stocks, is recommended to the Investment Manager who then considers it. The Investment Advisor shall predominantly recommend stocks that would be those which are the top 300 companies by market capitalisation in India. Consequently, 80-85% of the Fund's investments shall be in top 300 companies by market cap in India. The Investment Manager utilises its sole discretion with regard to the composition of the Fund to pick from this large list of stocks recommended to it by the Investment Advisor. The Investment Manager would then select some of these stocks for the Fund's portfolio, or it could select others as the Investment Advisor's recommended stocks are not binding on the Investment Manager. In advance of the stocks being chosen by the Investment Manager, the Investment Manager will carry out its own research, regulatory and compliance checks on the stocks which it has chosen from the list, to ensure the stocks ultimately selected by the Investment Manager are compliant with the UCITS Regulations and the Fund's investment objective and policy.

As per the table set out above, it is proposed to invest a minimum of 30% up to a maximum of 70% of the Fund's Net Asset Value in equities. The Investment Manager does not have defined limits for investments into large, mid and small-cap companies however they endeavour to hold approximately 50-75% of its overall equity allocation in large cap companies and approximately 25-50% of its overall equity allocation in mid and small cap companies depending on various factors. The Investment Manager will follow a bottom-up approach to stock picking and will builds the Fund around companies which are most attractive at any point in time both in qualitative /business factors (such as talking to management; talking with a company's competitors, vendors and distributors; analysing a company's products or services in depth; determining the capability of the company's management; determining the company's competitive advantages) as wells as financial factors (such as analysing income statements, balance sheets, cash flows and comparing current valuations with historical valuations). These factors are essential in determining the mix of the equity portion of the Fund between large/mid cap/small cap companies. The range of the allocation is to give the Investment Manager the flexibility to design the best possible Fund taking into account the factors mentioned above.

In relation to the equity related securities in which the Fund may invest, these may include, but are not limited to, preference shares, convertible bonds and convertible preference shares. The convertible bonds are unleveraged instruments and do not embed derivatives. The Fund may invest in American Depositary Receipts ("ADRs") and Global Depositary Receipts ("GDRs") of Indian companies which are listed on a Recognised Exchange for the purpose of gaining indirect exposure to equity securities where the Investment Manager feels it is more efficient to do so.

The Fund has no restrictions as to the proportion of assets allocated to companies in any particular economic sector.

Although it is the intention of the Investment Manager to deploy its assets as detailed above, the Fund may also retain up to 10% in cash, cash equivalents and money market instruments (including, but not limited to, cash deposits, commercial paper and certificates of deposit) in the appropriate circumstances. Such circumstances may include but are not limited to where market conditions may require a defensive investment strategy, the holding of cash on deposit pending reinvestment, the holding of cash in order to meet redemptions and payment of expenses. However, the above limit may be increased during periods where the Investment Manager believes that a larger cash position is warranted such as periods of economic uncertainty.

Fixed Income

The Investment Manager will invest in fixed income securities which are listed, traded or dealt in on Indian stock exchanges listed in Appendix II of the Prospectus.

The Investment Manager will invest in non-sovereign debentures and bonds where the underlying issuers are assigned A or better credit ratings at the time of purchase by a SEBI registered rating agency such as CRISIL, ICRA, Fitch or CARE. Such issuers carry low credit risk. A rating scale of A by ICRA denotes an adequate-credit-quality rating assigned by ICRA, the rated entity carries average credit risk. The ICRA rating is however only an opinion on the general creditworthiness of the rated entity and not specific to any particular debt instrument.

The Investment Manager may also seek advice from the Investment Advisor in constructing the fixed income portion of the Fund.

5. Investment Strategy

The Fund's investment strategy will be driven by three key factors, which are qualitative, quantitative and fundamental in nature.

Quantitative factors

The Fund will be rebalanced quarterly by the Investment Manager based on advice received by an appointed asset allocation committee of the Investment Advisor whose names and biographical details are set out under Investment Advisor below. The Investment Manager will at all times retain discretion with regard to selecting the Fund’s portfolio.

Fundamental factors

The Investment Manager shall in the case of equities predominantly follow a bottom-up approach with emphasis on building exposure around strong blue chip companies that have a high earnings growth potential on account of the size of the future business opportunity. The Fund shall have a higher weightage into industries that exhibit the following factors; stable and secular growth prospects, ability to generate high operating cashflows and preferably free cashflows as well, minimum volatility in margins and the ability to maintain growth rates despite slow-down in the sector. The Investment Manager selects these industries by analysing data relating to companies from the previous 10 - 15 years to determine their strengths to withstand various economic cycles, while taking the above factors into consideration. The Fund shall be a diversified fund and shall not have any sector or industry focus, however it is expected that the Fund will invest across many of the following sectors: Banking & Financial Services, Information Technology, Consumer Goods, Healthcare, Automobile, Industrials, Cement, Energy and Telecom services. The Fund will not follow a benchmark and will be actively managed.

Through the use of this bottom-up approach in selection of equity portfolio, the Investment Manager identifies and screens opportunities across multiple industries in the Indian region. The Investment Manager believes that long-term outperformance can be achieved by investing in companies which, among other things, (i) have strong management and market position, (ii) have high and/or improving quality of earnings, (iii) demonstrate that management interests are aligned with their shareholders’ interests and (iv) trade at attractive valuations. The Investment Manager’s bottom-up approach includes in-house financial analysis, periodic meetings with senior management of companies, absolute and relative valuation techniques, and frequent calls with top research houses. An absolute value is a business valuation method that uses discounted cash flow (DCF) analysis to determine a company's financial worth. The absolute value method differs from the relative value models that examine what a company is worth compared to its competitors.

The Investment Manager monitors the investment restrictions applicable to the Fund. As soon as the Investment Manager becomes aware that the weighting of any particular stock exceeds the permitted investment restrictions, the Investment Manager will seek to either unwind that particular position or reduce the Funds exposure to that stock to ensure that the Fund at all times operate within the permitted investment restrictions and complies with the requirements of the UCITS Regulations.

The Fund’s investment strategy in the case of fixed income is to generate total returns with moderate levels of credit risk by investing in a portfolio of fixed income securities issued by the Central Government of India, State Governments of India, Indian Public Sector Undertakings, and Indian companies or companies deriving a significant portion of their business in India. The Fund will invest in both local currency (INR) denominated debt as well as offshore, foreign currency debt of Indian issuers. Offshore, foreign currency debt of Indian issuers refers to bonds and debt instruments issued by Indian corporations and financial institutions in currencies other than INR. The Fund may invest some part of its assets in debt instruments, issued by Indian companies and banks, denominated in

USD or other foreign currencies. This exposure to non-INR investments may be converted to INR exposure through the use of non-deliverable forward contracts.

The Fund will primarily invest in the following type of fixed income instruments:

- securities issued by the Central Government of India (the "Government") having residual maturity of one year and above (for example, government securities);
- coupon bearing bonds issued by the State Governments of India. These are a type of tradable, dated, debt security, also known as State Development Loans (SDLs) which are traded on the secondary market in India. SDLs are issued by states for meeting their market borrowing requirements These bonds are managed and serviced by the RBI;
- commercial paper issued by Indian companies;
- perpetual debt instruments and debt capital instruments issued by banks and financial institutions of Indian origin;
- corporate debt securities such as non-convertible debentures which are debentures which cannot be converted to equity shares ("NCDs") and fixed or floating rate bonds issued by companies of Indian origin;
- Offshore, foreign currency debt by issuers of Indian origin. These bonds are traded in international markets such as Singapore, London, Hong Kong etc and are usually settled through Euroclear or Clearstream; and - Cash settled exchange traded interest rate futures subject to the investment conditions as may be prescribed by the RBI and SEBI from time to time. By doing so, this limits exposure of investors to the risk of fluctuation of interest rates.

For cash management purposes, liquidity and safety during times of market stress, or pending investment or reinvestment in accordance with the limits set out in the Prospectus, the Fund may invest in the following instruments:

- treasury securities issued by developed world countries (including US treasury bills and bonds);

- cash deposits in investment grade rated banks in developed world countries, in accordance with the requirements of the Central Bank; and

- money market funds.

The above investments are also permissible for posting collateral for margin purposes as required in order to take exposure to non-deliverable forwards contracts (USD, INR, NDFs) in accordance with the Fund's stated investment objective.

Currency derivatives such as over-the-counter, non-deliverable forward contracts which will be used to convert the USD exposure of USD denominated bonds into INR exposure. By doing so, the investors will be exposed to INR and the Company does not intend to hedge the risk of fluctuations in the investment currency of the INR versus the Base Currency of USD. This conversion of non-INR exposure to INR is not considered as a 'hedging' strategy by the Company.

Investment in money market funds will be made to gain exposure to the Indian fixed income securities markets or developed money markets and will be made in accordance with the limits set out in Appendix I and, in particular, paragraphs 3.1-3.5. Such schemes may include other UCITS funds, or regulated alternative investment funds, which fall within the requirements set out in the Central Bank UCITS Guidance and the level of protection of which is equivalent to that provided to shareholders of a UCITS.

Asset Allocation

The asset allocation in the Fund is designed keeping in mind the necessity of providing consistent returns and maintaining a balance between debt and equity, with quarterly alterations. The Fund follows a balanced and disciplined approach, abiding by the 'fundamental factors' above, to asset allocation at the macro level and specific Investments at the micro level with a long – term horizon.

Local Compliance in India

Investment policies of the Fund shall comply with the restrictions for FPI (investments as established by SEBI and the RBI as set out in Appendix 1.

On 7 January 2014, the SEBI issued the FPI Regulations which replaced the existing regime applicable to FIIs (i.e. the FII Regulations). Under the FPI Regulations all foreign investors who intend to acquire Indian securities from 1 June, 2014 are required to make an application to the designated depository participants to be registered as an FPI. Designated depository participants are the entities which will approve the application as an FPI and are also given the responsibility of granting the FPI license. All investments by foreign investors will need to be made in compliance with the investment conditions prescribed under the FPI Regulations and the regulations and guidelines prescribed by the RBI under Foreign Exchange Management Act (the "FEMA Regulations"). All securities of the Fund will be held at all times by the Depositary.

6. Investment and Borrowing Restrictions

Investment of the assets of the Fund must comply with the UCITS Regulations. The Directors may impose further restrictions in respect of the Fund. The investment and borrowing restrictions applying to the Fund are set out in Appendix I to the Prospectus. With the exception of permitted investments in unlisted securities and over the counter derivative instruments, investment in securities and derivative instruments will be restricted to the stock exchanges or markets listed in Appendix II of the Prospectus of the Company.

The Fund may invest up to a maximum of **10%** of the Net Asset Value of the Fund in other collective investment schemes in accordance with the requirements of the Central Bank and the investment restrictions set out in Appendix I to the Prospectus, where the investment policies of such collective investment schemes are consistent with those of the Fund.

The Fund has the ability to hold cash from time to time if the Investment Manager believes it is appropriate and is not obliged to be fully invested.

Borrowing Powers

The Company on behalf of the Fund may only borrow for cash flow purposes on a temporary basis and the aggregate amount of such borrowings may not exceed 10% of the Net Asset Value of the Fund. Subject to this limit the Directors may exercise all borrowing powers on behalf of the Company or the Fund and may charge the Funds assets as security for such borrowings only in accordance with the provisions of the UCITS Regulations.

Change to Investment and Borrowing Restrictions

It is intended that the Company and the Fund shall have the power, subject to the prior approval of the Central Bank and the prior approval of Shareholders and as disclosed in an updated Prospectus, to avail of any change in the investment and borrowing restrictions specified in the UCITS Regulations which would permit investment by the Fund in securities, derivative instruments or in any other forms of investment in which investment is at the date of this Prospectus restricted or prohibited.

8. Efficient Portfolio Management Techniques

Where considered appropriate, the Investment Manager will enter into forward currency contracts and cash settled futures contracts for efficient portfolio management on behalf of the Fund and/or a Class of Shares within the Fund to protect against exchange risks and/or to alter the currency exposure characteristics of transferable securities within the conditions and limits laid down by the Central Bank from time to time.

The Fund may invest some part of its assets of fixed income portion in debt instruments, issued by Indian companies and banks, denominated in the Base Currency or other foreign currencies. Exposure to investments not denominated in INR may be converted to INR exposure, through the use of non-deliverable forward contracts.

If the Investment Manager determines, at its discretion, to conduct currency hedging transactions in respect of a Class, details as to how such transactions have been utilised will be disclosed in the periodic reports of the Company. If the Investment Manager determines not to conduct currency hedging transactions in respect of a Class, currency conversions for subscriptions, redemptions and distributions will be conducted at prevailing spot currency exchange rates and consequently the value of Shares in the unhedged currency Class will be subject to exchange rate risk in relation to the Base Currency.

The conditions and limits for the use of forward currency contracts for efficient portfolio management on behalf of the Company and/or a Class of Shares within the Company to protect against exchange risks are contained in the Central Bank UCITS Regulations and set out in section 6 entitled “Financial Derivative Instruments (‘FDIs’)” of Appendix I. The Company will only employ techniques and instruments in accordance with Article 51 (2) of the UCITS Directive and Article 11 of the Eligible Assets Directive.

In addition the use of forward currency contracts, which alter the currency characteristics of transferable securities held by the Company, are subject to the following additional requirements:

(i) they must not be speculative in nature, i.e. they must not constitute an investment in their own right;
(ii) they must be fully covered by cash-flows arising from the transferable securities held by the Company.

The attention of investors is drawn to the risks described under the headings “Currency Risk”, “Share Currency Designation Risk” and “Forward Trading” in the Risk Factors section of the Prospectus.

The Fund does not currently use financial derivative instruments and a Risk Management Process will be submitted to the Central Bank in accordance with Central Bank UCITS Regulations/Guidance prior to the Fund engaging in financial derivative instrument transactions. Global exposure is measured using the commitment approach. Leverage arising as a result of the use of financial derivative instruments will be limited to 100% of the Net Asset Value of the Fund.

9. Investment Manager

The Company has appointed UTI International (Singapore) Private Limited as investment manager of the assets of the Fund with discretionary powers pursuant to the Investment Management Agreement. Under the terms of the Investment Management Agreement the Investment Manager is responsible, subject to the overall supervision and control of the Directors, for managing the assets and investments of the Fund in accordance with the investment objective and Policy of the Fund. The Company and the Fund shall not be liable for any actions, costs, charges, losses, damages or expenses arising as a result of the acts or omissions of the Investment Manager or its own acts or omissions following the advice or recommendations of the Investment Manager. The Company shall hold harmless and indemnify out of the relevant Funds’ assets the Investment Manager from and against all actions, proceedings, damages, claims, costs, demands, charges, losses and expenses including, without limitation, legal and professional expenses on a full indemnity basis ("Loss") which may be brought against, suffered or incurred by the Investment Manager in connection with any act or omission of the Investment Manager taken, or omitted to be taken, in connection with the Funds or the Investment Management Agreement, other than due to the negligence, fraud, bad faith or wilful default of the Investment Manager. The Investment Management Agreement may be terminated by either party on 90 days written notice or forthwith by notice in writing in certain circumstances such as the insolvency of either party or unremedied breach after notice.

The Investment Manager was incorporated in Singapore on 15 November 2006 and is regulated by the Monetary Authority of Singapore in the conduct of financial services and investment management activities.

The Investment Manager is also the Distributor of the Company.

10. Investment Committee

The Investment Manager has appointed an investment committee who are all employees of the Investment Manager. The investment committee will provide an oversight role for the portfolio managers of the Investment Manager. The biograghical details of the members are set out below.

(i) Mr Praveen Jagwani

Mr. Jagwani is an investment and banking professional with a 20-year track record in the financial services industry. He has been with UTI International (Singapore) in his current role for over four years. Having worked in many geographies and multi-cultural environments he displays a good balance between results and people orientation. He started his career with ANZ Grindlays Bank in India and worked later in Australia and Bahrain across Credit, Consumer Finance, Systems and Private Banking. He later joined Standard Chartered Bank and built the Wealth Management and Investment Advisory business in the Middle East. He was appointed the Chief Investment Officer for Middle East & South Asia and was responsible for Product, Research, Certification and Compliance. He then joined Merrill Lynch and worked with them in London and Dubai in their Hedge Fund & Private Equity Advisory business. Mr. Jagwani holds a graduate degree in Computer Science (B.Sc.) and a Master's degree in Operations Research (M.Sc.) from Delhi University. He also has a Master's of Business Administration from XLRI Jamshedpur and has completed Chartered Financial Analysis (CFA) program from CFA institute USA.

(ii) Ms. Rashmi Sadhwani, VP – Head Business Development Asia at UTI International (Singapore) Private Limited.

Ms Sadhwani is responsible for sales and business development in the Asia region. She also sits on UTI International's investment committee as an Investment Strategist. Ms Sadhwani has over 9 years of experience in banking across Hong Kong and Singapore, having worked in the past with Coutts, Merrill Lynch and Citibank. Prior to joining UTI, Ms Sadhwani served as an Investment Strategist with Coutts Private Bank in Singapore providing top down, cross asset investment advice with a focus on Asian markets to support client portfolios. Ms Sadhwani holds a Bachelor of Science (BSc) degree in Government from the London School of Economics & Political Science.

(iii) Mr. Rahul Aggarwal, Fixed Income Portfolio Manager, UTI IS

Mr Aggarwal is responsible for the fixed income portfolio management function of UTI IS. He has close to 8 years of fixed income money management experience having worked for institutions like Edelweiss, IIFL and L&T Investment Management. He graduated from Punjab Engineering College, Chandigarh with a B.E. (Computer Science & Engineering) in 2003 and also holds a Post Graduate Diploma in Management from IIM Calcutta. Mr Aggarwal is a versatile professional who started out as a software developer in 2003 and gradually worked his way into the finance industry. As a testimony to his pursuit of continual learning, he has also obtained the Financial Risk Manager (FRM) designation and also passed level 1 and level 2 of the CFA examination.

(iv) Mr. Manish Khandelwal

Mr Khandelwal a commerce graduate (B.COM), LLB (A) and has done his Masters in Business Administration (MBA) from Symbiosis Institute of Business Management, Pune in 2004. He has around 10 years of experience in the investment management industry. Prior to joining UTI International (Singapore) Private Limited, he worked with UTI AMC in India in Institutional Sales, Distribution, Retail Sales & Marketing and PMS (Portfolio Management Services). He regularly interacted with the intermediaries, service providers and is also responsible for advising high net worth clients on their mutual fund investments. Mr Khandelwal is presently working as Director – Products and Operations UTI International (Singapore) Private Limited. His job responsibilities consist of fund structuring, operations and product development for the UTI group's international business.

The investment committee will neither have any discretionary investment management powers nor will they receive a fee for their role. As part of the oversight role, the investment committee shall ensure that the fund is managed in compliance with the regulations applicable to the Fund. It shall monitor the performance and investment strategy of the Investment Manager. At investment committee meetings, the following matters will be discussed: performance review, portfolio review, outlook and strategy of the Fund. The investment committee does not provide any advice to the Investment Manager. All committee members of the Investment Committee are employees of the Investment Manager. In any scenario if that the investment committee disagrees with any of the actions of the Investment Manager then it will ask the Investment Manager to explain such action taken.

11. Investment Advisor

The Investment Manager has appointed UTI Asset Management Company Ltd as an investment advisor to provide non-discretionary investment advice to the Company. UTI Asset Management Company Ltd is a company incorporated in India under the Companies Act, 1956. Its registered office is at UTI Tower, GN Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051.

UTI Asset Management Company Ltd is the oldest and one of the largest asset management companies in India. Its shareholders include T. Rowe Price (USA), which acquired a 26% stake in January 2012, and the remaining 74% is equally split between four of the largest state owned Indian financial companies - Life Insurance Corporation, State Bank of India, Bank of Baroda and Punjab National Bank.

12. Initial Offer of Shares

All of the Share Classes will all be offered to investors during the period from 9am (Irish time) on the 28th February, 2018 to 5pm (Irish time) on the 28th August, 2018 (the "Initial Offer Period") at the Initial Price as set out in the chart at Section 2 above and subject to acceptance of applications for Shares in the relevant Class will be issued for the first time on the last Business Day of the Initial Offer Period.

The Initial Offer Period may be shortened or extended by the Directors. The Central Bank will be notified in advance of any such shortening or extension if subscriptions for Shares have been received and otherwise on a quarterly basis. After closing of the initial offer period, Shares in the Fund will be issued to Shareholders at the Net Asset Value per Share.

13. Application for Shares

Initial applications by non U.S. Persons should be made using an Application Form obtained from the Administrator or Distributor but may, if the Directors so determine, be made by facsimile subject to prompt transmission to the Administrator of the original signed Application Form and such other papers (such as documentation relating to money laundering prevention checks) as may be required by the Directors or their delegate. For U.S. Persons initial applications should be made using the U.S. Application Form. No redemptions or dividends will be processed until the original Application Form and such other papers as may be required by the Directors have been received and all anti-money laundering procedures have been completed. Subsequent applications to purchase Shares following the initial subscription may be made by facsimile, or by electronic means with the prior agreement of the Administrator and Company, without a requirement to submit original documentation and such applications should contain such information as may be specified from time to time by the Directors or their delegate. Amendments to a Shareholder's registration details and payment instructions will only be made following receipt of original written instructions from the relevant Shareholder.

Each Shareholder must meet the Minimum Initial Subscription requirement for the applicable Class and retain Shares having a Net Asset Value equivalent to the Minimum Holding requirement for the applicable Class. The Directors may, in their discretion, waive or reduce the Minimum Initial Subscription requirement and the Minimum Holding requirement with respect to any Shareholder or applicant for shares.

Applications accepted by the Administrator on behalf of the Company and received by the Administrator prior to the Dealing Deadline for any Dealing Day will be dealt with on that Dealing Day. Any applications received after the Dealing Deadline will be dealt with on the following Dealing Day subsequent to the relevant Dealing Day unless the Directors in their absolute discretion otherwise determine. Applications will only be accepted after the Dealing Deadline in exceptional circumstances only. Such discretion may only be exercised by the Directors where the application is received subsequent to the Dealing Deadline but before the Valuation Point. No interest will be paid in respect of payments received in circumstances where the application is held over until a subsequent Dealing Day.

Shareholders may be subject to a maximum sales charge of up to **5%** of the subscription amount. Such subscription sales charge will be charged as a preliminary once off charge, payable to the Distributor upon subscription. The Distributor may, in its sole discretion, waive or reduce, in whole or in part, any such charge.

Contingent Deferred Sales Charge (“CDSC”)

No sales charge will be payable on the subscription for the Class C USD Accum. and Class C USD Dist. However, a CDSC may be payable to the Distributor in relation to Class C USD Accum. and Class C USD Dist. The CDSC constitutes a fee for services rendered by the Distributor in connection with the distribution, placing and sale of Class C USD Accum. and Class C USD Dist. at the time of such distribution, placing and sale and is not conditioned upon or related to any provision of ongoing services by the Distributor with respect to such Class C USD Accum. and Class C USD Dist. Where Class C USD Shares are repurchased within the first three years of the date of their subscription, the repurchase proceeds thereof will be subject to a CDSC at the rates set forth in the table below.

Applicable rate of the CDSC	**Period from subscription date**
3%	1 year
2%	After 1 year but within 2 years
1%	After 2 year but within 3 years
0%	thereafter

The applicable rate of CDSC is determined by reference to the total length of time during which the Class C USD Accum. and Class C USD Dist. being repurchased were in issue. In determining whether a CDSC is applicable, the calculation will be effected in a manner that results in the lowest possible rate being applied. An instruction to sell Class C USD Accum. and Class C USD Dist. will be deemed to have been given for the Shares which have been held for the longest period.

The amount of CDSC is calculated by multiplying the relevant percentage rate as determined above by the price paid for the original issue of Shares being repurchased. A CDSC in respect of Class C USD Accum. and Class C USD Dist. paid to the Fund reverts to the Distributor. The CDSC may be waived or reduced by the Distributor. Proceeds from the CDSC are used all or in part by the Distributor to pay its expenses in providing distribution related services to the Fund in relation to the sales and promotion of Class C USD Accum. and Class C USD Dist..

Redemption Fees

In the event that Shareholders of the Class D USD Accum. and the Class D USD Dist. redeem their Shares within 2 years of subscription, the Company may charge a redemption fee calculated at up to 3% of redemption monies.

Swing Pricing

Under certain circumstances (for example, large volumes of deals), investment and/or disinvestment costs may have an adverse effect on the Shareholders' interests in the Fund. In order to prevent this effect, called "dilution", the Directors may determine that a "Swing Pricing" methodology applies and have the power to adjust the Net Asset Value per Share upwards or downwards. This is described in further detail under the section headed "Swing Pricing" in the Prospectus.

Settlement of Shares

Subscription monies net of all bank charges should be paid by SWIFT or telegraphic or electronic transfer to the bank account specified in the Application Form no later than 9am GMT on the relevant Dealing Day. Notwithstanding the foregoing, the Fund may accept applications for Shares for which the subscription proceeds are to be received no later than 2 Business Days following the relevant Valuation Date, provided this has been specifically agreed between the Distributor and the investor.

Confirmation of Ownership

Confirmation in writing of entry on the register of Shareholders will be sent to Shareholders within 24 hours of the release of relevant Dealing Day Net Asset Value.

Sales charge

A sales charge of up to **5%** of the total subscription amount may be charged by the Distributor or any sub-distributor appointed to the Company. This sales charge may be applicable to all of the Share Classes of the Fund, with the exception of the RDR Classes, Class C USD Accum. and Class C USD Dist.

14. Form of Shares and Register

As with other Irish companies limited by shares, the Company is required to maintain a register of Shareholders. Written confirmation of entry on the register will be provided. Shares will be in registered form. Only persons appearing on the register of Shareholders will be a Shareholder. Fractional Shares will not be issued and orders for Shares to be paid for in cash will be rounded to the nearest whole share amount. Any such rounding may result in a benefit for the relevant Shareholder of Fund. The Administrator will also send a trade confirmation to investors.

15. Redemption of Shares

Shareholders may redeem their Shares on a Dealing Day at the Net Asset Value per Share calculated as at the Valuation Point in relation to that Dealing Day.

Applications for the redemption of Shares should be made to the Administrator by facsimile or written communication or by electronic means with the prior agreement of the Administrator and Company (in accordance with the requirements of the Central Bank) and should include such information as may be specified from time to time by the Directors or their delegate. Requests for redemption received prior to the Dealing Deadline for any Dealing Day will be dealt with on that Dealing Day. Any requests for redemption received after the Dealing Deadline for a Dealing Day will be dealt with on the next Dealing Day subsequent to the relevant Dealing Day unless the Directors in their absolute discretion and in an equitable manner determine otherwise. Applications for redemption will only be accepted after the Dealing Deadline in exceptional circumstances only. Such discretion may only be exercised by the Directors where the request is received subsequent to the Dealing Deadline but before the Net

Asset Valuation Point. Redemption requests will only be paid where cleared funds and completed documents are in place from original subscriptions.

In the event of a Shareholder requesting a redemption which would, if carried out, leave the Shareholder holding Shares having a Net Asset Value less than the Minimum Holding, the Company may, if it thinks fit, redeem the whole of the Shareholder's holding.

Shares will not receive or be credited with any dividend declared on or after the Dealing Day on which they were redeemed.

The Directors may, with the consent or at the request of the relevant Shareholders, satisfy any request for the redemption of Shares by the transfer in specie to those Shareholders of assets of the Company having a value equal to the redemption price for the Shares redeemed as if the redemption proceeds were paid in cash less any redemption charge and other expenses of the transfer as the Directors may determine.

In accordance with the requirements of the Central Bank, a determination to provide redemption in specie may be solely at the discretion of the Directors where the redeeming Shareholder requests redemption of a number of Shares that represents 20% or more of the Net Asset Value of the Company. A Shareholder requesting redemption shall be entitled to request the sale of any asset or assets proposed to be distributed in specie and the distribution to such Shareholder of the cash proceeds of such sale less the costs of such sale which shall be borne by the relevant Shareholder.

The Directors may in their absolute discretion refuse to accept a request for redemption in specie where the Directors determine, in consultation with the Investment Manager, that it would not be practicable to satisfy such a request. Where a request for redemption in specie has been refused by the Directors, in consultation with the Investment Manager, on the basis that it would not be practicable to satisfy such a request, the Administrator will reject the instruction from the relevant Shareholder and inform the Shareholder of the reason for the rejection. The Shareholder then has the option to submit a cash redemption request for settlement in the currency of the relevant Class.

The nature and type of assets to be transferred in specie to each Shareholder shall be determined by the Directors (subject to the approval of the Depositary as to the allocation of assets) on such basis as the Directors in their discretion shall deem equitable and not prejudicial to the interests of the remaining Shareholders in the Company or relevant Class.

Deferral of Redemptions

The Company shall not on any Dealing Day or in any period of **seven** consecutive Dealing Days, be bound to redeem (or consequently effect a conversion of) more than **10%** of the total Net Asset Value of Shares of the Company then in issue. If on any Dealing Day, or in any period of **seven** consecutive Dealing Days, the Company receives requests for redemptions of a greater value of Shares, it may declare that such redemptions are deferred until a Dealing Day not more than seven Dealing Days following such time. Any redemption requests in respect of the relevant Dealing Day shall be reduced rateably and the redemption requests shall be treated as if they were received on each subsequent

Dealing Day until all the shares to which the original request related have been redeemed. These limits will be used only at times when realising assets of the Company to meet unusually heavy redemption requirements would create a liquidity constraint to the detriment of Shareholders remaining within the Company**.**

Method of Payment

Redemption payments will be made to the bank account detailed on the Application Form. Any amendments to an investor's registration details and payment instructions will only be effected on receipt of original documentation by the Administrator.

Currency of Payment

Shareholders will normally be repaid in the currency of the applicable Class. If, however, a Shareholder requests to be repaid in any other freely convertible currency, the necessary foreign exchange transaction may be arranged by the Administrator (at its discretion) on behalf of and for the account, risk and expense of the Shareholder.

Timing of Payment

Redemption proceeds in respect of Shares will be paid to investors within **10** Business Days of the Dealing Day provided that all required documentation has been furnished to and received by the Administrator.

16. Suspension of Dealing

Shares may not be issued, redeemed or converted during any period when the calculation of the Net Asset Value of the Fund is suspended in the manner described in the Prospectus under the heading "Suspension of Valuation of Assets". Applicants for Shares and Shareholders requesting redemption and/or conversion of Shares will be notified of such suspension and, unless withdrawn, applications for Shares will be considered and requests for redemption and/or conversion will be processed as at the next Dealing Day following the ending of such suspension.

17. Indian Taxation

Taxation

The taxation of income and capital gains of the Fund is subject to the fiscal law and practice of India, and Ireland. The following summary of certain relevant tax provisions is subject to change, and does not constitute legal or tax advice. The Company and the Fund and their advisers accept no responsibility for any loss suffered by a Shareholder as a result of current, or changes in, taxation law and practice.

Additionally, in view of the number of different jurisdictions where local laws may apply to Shareholders, this Supplement does not discuss the local tax consequences to potential Authorised

Participants arising from the acquisition, holding or disposition of any Class of Shares.

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

The discussion of Indian tax matters contained herein is based on existing law, including the provisions of the Indian Income Tax Act, 1961 ("ITA") and the provisions of the Double Tax Avoidance Agreement between India and Ireland ("India – Ireland tax treaty"). ITA is amended every year by the Indian Finance Act of the relevant year, and this summary reflects changes through the date hereof. 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. Additionally, the discussion of Indian tax matters contained herein does not address the tax consequences to investors arising from the acquisition, holding or disposition of interests in their respective local jurisdictions.

Further, India tax considerations contained herein are based on the income-tax laws applicable for FY 2015-16 (period commencing from 01 April 2015 and ending on 31 March 2016).

General

The Fund is an open-ended sub-fund of UTI Goldfinch Funds PLC, an open-ended umbrella type investment company with segregated liability between sub-funds and established as an Undertaking for Collective Investment in Transferable Securities pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011. The investment objective of the Company is to invest primarily in Indian equity markets and in future may also invest in debt market.

The Fund shall, in accordance with the requirements of the Central Bank, directly invest in Indian securities described above. Since the Fund shall be the entity investing in India and shall be obtaining registration as an FPI, it shall be considered as the taxpayer in respect of the income earned through investments in India. Accordingly, the income-tax implications with respect to the income earned by the Fund are detailed below.

Legal status in India

The Indian tax provisions lack clarity on the determination of legal status in case of an umbrella fund structure with several sub-funds investing in India on their own with their own set of specific assets and liabilities It is uncertain whether the legal status of such sub-fund be treated as 'Association of Persons' ("AOP") on the premise that each sub-fund is formed for the purpose of fulfilling a common objective for a particular group of investors or the legal status may be treated as 'Corporate' on the premise that the sub-funds are not separate legal entities in their home country and a part of the umbrella fund which is classified as a Corporate entity. In our view, the Fund may be characterised as AOP for Indian tax purposes.

Residency in India

Residents of India are subject to taxation in India on their worldwide income. As per Finance Act, 2015, w.e.f 1 April 2016, a company is said to be a tax resident of India, if its “place of effective management” (‘POEM’), in that year, is in India. Further, the term POEM is defined as the place where key management and commercial decisions that are necessary for the conduct of the business of an entity as a whole are, in substance made. However, a non-corporate entity is considered a tax resident in India in all cases except where, during that year, the control and management of such entity is wholly outside India.

The Company appointed the Investment Manager, a company incorporated in Singapore as its investment manager to provide investment management functions to the Fund. The investment manager on day to day basis subject to overall control of Directors of the Company has discretion, to purchase and sell securities and otherwise manage Fund’s portfolios. It is expected that the Fund will be wholly managed and controlled from outside India and hence will not be treated as resident in India.

Accrual / Receipt of Income

Since the Fund would be regarded as a non-resident in India, it will be subject to taxation in India if (a) receives, or is deemed to receive, income in India, (b) the income accrues or arises in India or (c) the income is deemed to accrue or arise in India. Income is deemed to accrue or arise in India if it accrues or arises, whether directly or indirectly (i) through or from any “business connection” in India, (ii) through or from any property in India, (iii) through or from any asset or source of income in India or (iv) through the transfer of a capital asset situated in India.

For purposes of the ITA, the term "business connection" includes any business activity carried out through a person who, acting on behalf of a non-resident if such person has, and habitually exercises in India, an authority to conclude contracts on behalf of the non-resident or habitually secures orders in India, mainly or wholly for the non-resident. However, the definition of business connection excludes any business activity carried out through an agent having an independent status, which is acting in the ordinary course of its business. Indian courts have held that a business connection exists where a non-resident is engaged in any activity (as described above) that yields profits or gains and such activity in India contributes, directly or indirectly, to the earning of those profits or gains.

Characterisation of Income:

As per section 2(14) of the ITA, ‘Capital Asset’ includes any security held by a FPI which has invested in such security in accordance with the regulations made under the SEBI Act, 1992. Accordingly, all income arising out of the sale of Indian securities held by the FPI shall be treated as capital gains.

The Fund is expected to earn the following streams of income from its investments in Indian securities:

1. Capital gains on transfer of shares/securities in India
2. Dividend income from investment in shares of Indian companies
3. Interest income on debt securities
4. Income from cancellation of foreign exchange forward contracts
5. Capital gains on sale of ADR/GDR

***Taxability of Income under ITA**:*

The income of FPIs is taxable as per the provisions of Section 115AD of ITA.

The Indian Government issued a notification dated 22 January, 2014 extending benefits of section 115AD of ITA to FPIs. Accordingly, the provisions of section 115AD of the ITA shall apply to the Fund on obtaining registration as an FPI.

Tax implications on each stream of income are discussed as under. In addition to the tax rates specified below, the Fund will be liable to pay surcharge @ 12% on its tax liability arising out of income earned in India (in case the taxable income of the Fund exceeds INR 10 million).Further, in addition to the surcharge, the Fund will also be liable to pay an education cess of 3% on its total tax liability (including surcharge).

Tax treatment of capital gains on transfer of shares/securities in India:

Depending upon the period of holding of securities, tax rates on capital gains arising on transfer of securities is mentioned below:

Particular	**Held for less than 12 months**	**Held for 12-36 months**	**Held for more than 36 months**
Listed equity shares in a company, unit of an equity oriented mutual fund and unit of business trust (subject to STT)	15	NIL*	NIL*
• Listed equity shares in a company, unit of an equity oriented mutual fund and unit of business trust (Not subject to STT) • Listed debt securities	30	10*	10*

Securities other than those specified above	30	30	10*

*Long Term Capital Gains** For unlisted equity shares, holding period for considering as long term capital gains shall be 24 months or more.

In general, losses arising from a transfer of a capital asset in India can only be set off against capital gains and not against any other income. To the extent that the losses are not absorbed in the year of transfer, they may be carried forward for a period of eight assessment years immediately succeeding the assessment year for which the loss was first computed and may be set off against the capital gains assessable for such subsequent assessment years. However, a long-term capital loss can be set off only against a long-term capital gain. In order to make use of capital losses in this manner, the FPI must file appropriate and timely tax returns in India and undergo certain assessment procedures.

Tax treatment of dividend income from investment in securities in India

Dividends are currently exempt from tax in the hands of all shareholders, irrespective of their residency status. Accordingly, the dividends earned by the Fund should be exempt from tax in India. However, the Indian investee companies declaring, distributing or paying dividends are required to pay a dividend distribution tax ("**DDT**") at a rate of 15% of the total dividends. As per section 115-O of ITA, the dividend amount would have to be grossed up for the purpose of calculation of DDT, i.e., DDT rates would be applied on the amount of dividend plus DDT thereon.

Tax treatment of interest income from investment in securities in India:

As per the ITA, interest on rupee denominated corporate bonds and government securities payable to FPIs would be subject to a tax at the rate of 5%* if the following conditions are satisfied:

a. Such interest is payable on or after 1 June 2013 but before 1 July 2017;

b. In respect of rupee denominated corporate bond, rate of interest does not exceed the rate which is notified by the Central Government

**The tax rate on such interest income is aligned with the withholding tax rate.*

In case the Fund is not able to take benefit of the concessional tax rate, then the interest income would be subject to tax at the rate of 20%.

Tax treatment of income from cancellation of foreign exchange forward contracts

Income arising to the Fund on cancellation of foreign exchange forward contracts should be characterised as capital gains. Accordingly, provisions of capital gains mentioned above shall be applicable. However, there is a possibility that the income-tax authorities may characterise such income as 'income from other sources'. In case income of the FPI arising from cancellation of foreign exchange forward contracts is characterised as 'income from other sources' then it shall be subject to tax in India at the rate of 40%.

Tax treatment of capital gains on transfer of ADR/GDR

Section 47(viia) of the ITA provides that transfer of GDRs between two non-residents outside India shall not be taxable in India. The Finance Act, 2015 has amended the ITA to allow the tax benefits only in respect of such GDRs issued to investors against the issue of ordinary shares of issuing companies listed on a recognized stock exchange in India or foreign currency convertible bonds of issuing companies.

As per the new Depository Scheme, 2014 notified on 21 October 2014, depository receipt ("DR") can be issued against the securities of listed, unlisted or private or public companies against underlying securities which can be debt instruments, shares or units etc. Further, both the sponsored issues and unsponsored deposits and acquisitions are permitted. DRs can be freely held and transferred by both the residents and non-residents in India.

Business Income:

Generally, business income attributable to Indian operations is taxed at the rate of 40%. However, in view of the amended definition of 'Capital Asset' in the ITA under section 2(14) of ITA for FPI investing in securities in accordance with regulations made under the SEBI Act, 1992, all income from transactions in securities held by FPI shall be treated as capital gains. Hence, under the ITA the Fund's income will not be characterised as business income.

Minimum Alternate Tax (MAT):

As per the ITA, if the tax payable by a corporate entity is less than 18.5% of its book profits, it shall be liable to pay MAT at the rate of 18.5% of such book profit. If the Fund is characterised as an AOP for Indian tax purposes, then MAT provisions would not be applicable to the Fund.

The Finance Act, 2015 has amended the MAT provisions, w.e.f. 1 April, 2015, to exclude capital gains on transactions in securities, interest, royalty or fees for technical services earned by foreign corporates from the ambit of MAT. Therefore, even in case the Fund is characterized as a corporate entity, MAT provisions should not apply to the Fund.

Further, as per the ITA amended by the Finance Act 2016, MAT provisions should not be applicable to a foreign company, if:

- it is resident of a country with which India has a Treaty, and it does not have a permanent establishment in India, in accordance with the provisions of the relevant Treaty; or
- it is resident of a country with which India does not have a Treaty, and it is not required to seek registration under Indian corporate laws.

In the current case, as the Fund is expected to be a resident of Ireland with which India has a Treaty agreement and it does not form permanent establishment in India and the income of the Fund shall comprise of capital gains (which should be excluded from MAT as discussed above), MAT should not be applicable to the Fund.

Transfer Pricing

In case the Fund holds more than 26% of the voting power in the Indian portfolio companies or the debt investment by the Fund in the Indian portfolio companies constitutes 51% or more of the book value of the total assets of the Indian portfolio companies, the Fund and the Indian company should be regarded as associated enterprises for the purposes of the ITA and accordingly, any transaction between the Fund and the Indian portfolio companies should be at arm's length and should comply with the Indian transfer pricing provisions, to the extent applicable.

Applicability of Income Computation and Disclosure Standards (ICDS)

The CBDT has notified ICDS which are to be followed by all assesses who are following the mercantile system of accounting, for the purposes of computation of income chargeable under the head "Profits and gains of business or profession" or "Income from other sources". As per ICDS IV interest received by a tax payer following mercantile system of income will have to be computed and offered for tax on accrual basis.

FPIs are not required to maintain any books of account in India and hence, the applicability of ICDS per se does not arise. Even though the global books of accounts are maintained on mercantile system of accounting, the chargeability to tax would still be governed by accrual/due basis (as per section 5(2)(b) of ITA and not section 145 of ITA). Hence, the interest income would be taxable when the Fund is entitled to receive the interest income.

Deduction of tax at source:

The income of FPI from securities is subject to a tax withholding in India. However, no withholding is applicable on any capital gains income of FPI arising from the transfer of securities. The FPI will need to self-discharge taxes applicable on capital gains. The person responsible for paying any other sum chargeable to tax to an FPI (other than capital gains) will be required to withhold tax at source at the applicable tax rate.

Securities Transaction Tax ("STT"):

All transactions in equity shares, equity oriented mutual fund, unit of business trust and sale of futures and options entered on a recognised stock exchange in India will be subject to STT, which is levied on value of transaction. No STT is levied on transactions in debt securities in India.

Tax Treaty Regime

ITA contains a specific enabling provision which provides that where a non-resident is a tax resident of a country with which India has a tax treaty, the provisions of the treaty or the provisions of the domestic law, whichever are more beneficial to the taxpayer would apply. Therefore, the provisions of the India – Ireland tax treaty may apply to the Fund provided it is a tax resident of Ireland and it fulfils the eligibility criteria to claim benefits of the India – Ireland tax treaty. No assurance can however be provided that the Indian income -tax authorities will not challenge the eligibility of the Fund to claim the benefits of the India – Ireland tax treaty.

The Central Board of Direct Taxes ("CBDT") has issued a Circular No 789 dated 13 April , 2000 which provides that a Tax Residency Certificate ("TRC") issued by the tax authorities of Ireland would be regarded as conclusive evidence regarding residential status and beneficial ownership of Ireland entities for applicability of the tax treaty between India and Ireland. The validity of this circular has been upheld by the Indian Supreme Court in the case of Union of India v Azadi Andolan (263 ITR 706).

Section 90 of the ITA provides that a non-resident is not entitled to claim any treaty benefits unless a TRC is obtained by it from the Government of the country of which it is a resident.

The CBDT has also issued a notification (Notification No. 57/2013) prescribing the additional information required to be provided by a non-resident along with the TRC to avail treaty benefits. The information which is sought from a non-resident is to be provided in Form No. 10F. The notification also provides that in case the above required information or part thereof is already mentioned in the TRC, the non-resident will not be required to separately provide the information or part thereof in the prescribed form.

Apart from the TRC and Form No.10F, the non-resident is also required to maintain such documents as necessary to substantiate the above required information and provide the documents to the income tax authorities as and when called for to avail treaty benefits.

If the Fund is able to obtain TRC from the Ireland Government in its own name, furnish a Form No.10F along with supporting documents to substantiate the information provided in Form No. 10F and if its place of effective management and control is in Ireland, then the benefit of the India – Ireland tax treaty may be available to the Fund in respect of its Indian investments. However, no assurances can be provided that the Indian income- tax authorities would not challenge the treaty claim of the Fund and seek to assert that the Fund is not effectively managed and controlled from Ireland.

It is uncertain that the benefit under India- Ireland tax treaty shall be available to the Fund. Accordingly the provisions of the ITA would apply as mentioned above.

Taxability of Income under the India – Ireland tax treaty:

Tax treatment of capital gains on transfer of shares/securities in India

As discussed earlier in the document, the Indian Government has amended the definition of ‘Capital Asset’ under section 2(14) of ITA to include that any security held by a FPI which has invested in such security in accordance with the regulations made under the SEBI Act, 1992. Accordingly income derived by Fund from sale/redemption of Indian securities shall be treated as capital gains under the ITA.

The general understanding is that the terms not defined in the treaty will have the same meaning as given under the ITA. Since the term ‘capital gains’ is not defined in the India- Ireland tax treaty, the meaning of the term ‘capital gains’ and therefore the characterisation under the India-Ireland tax treaty would have to be same as ITA. Accordingly, the Fund’s income from capital gains under the ITA is therefore likely to be regarded as capital gains under the India-Ireland tax treaty also.

In case income of the Fund is characterised as ‘capital gains’, the Fund would be subject to tax in India on income arising from transfer of shares of an Indian company. The tax rates applicable under the ITA as detailed earlier in the document shall be applicable.

However, in case of income arising from transfer of other securities, the Fund will not be subject to tax in India by virtue of Article 13 of the India – Ireland tax treaty.

Tax treatment of interest income from investment in securities in India

The interest income earned by the Fund from investment in debt securities in India would be subject to tax at 10% in terms of Article 11 the India – Ireland tax treaty provided the Fund is ‘beneficial owner’ of such interest income.

General Anti-Avoidance Rules (“GAAR”)

The GAAR provisions empower the Indian revenue authorities to declare an arrangement as an impermissible avoidance arrangement if, inter alia, it was entered into with a main purpose of obtaining tax benefit and it lacks/or is deemed to lack commercial substance, or does not have a *bona fide* purpose. Unless proved contrary by the taxpayer, an arrangement will be presumed to have been carried out for the main purpose of obtaining tax benefit even if the main purpose of a step of the arrangement or part of the arrangement is to obtain a tax benefit irrespective of the fact that the main purpose of the whole arrangement is not to obtain a tax benefit.

'Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Sharing' ('MLI')

Introduction of the MLI by the OECD is a recent global tax development. In a ceremony held in Paris on 7 June, 2017, 67 countries including India signed the MLI. Once adopted, MLI will supplement the existing tax treaties that India has with several countries and incorporate anti-avoidance rules/Limitation of Benefits conditions.

At the time of signing the MLI, countries are required to submit a list of their existing tax treaties which they would like to designate as Covered Tax Agreements ('CTAs') i.e. agreements to be amended through the MLI. Together with the list of CTAs, the countries are also required to submit a preliminary list of their reservations and notifications in respect of the various provisions of the MLI.

The MLI, amongst others, includes a "principal purpose test", wherein tax treaty benefits can be denied if one of the principal purpose of an arrangement or a transaction was to, directly or indirectly, obtain tax benefit unless it is established that granting that benefit would be in accordance with the object and purpose of the relevant tax treaty.

India and Ireland both have notified each other as CTA for the purpose of MLI.

Taxation of the Investors:

As per the provisions of the ITA, income arising from a transaction entered into outside India between two non-residents should not be taxable in India unless the income could be regarded as arising from a business connection in India or from any asset or source of income in India or through the transfer of a capital asset situated in India, or if received or deemed to be received in India. Finance Act, 2012 had incorporated clarificatory amendments to tax indirect transfer of capital assets retrospectively from 1 April 1962 by proposing to levy capital gains tax on income arising from the transfer of shares or interest in a Fund or entity registered or incorporated outside India, if the share or interest derives, directly or indirectly, its value substantially from the assets located in India. The Finance Act, 2012 had further inserted an explanation retrospectively from 1 April 1962, in the withholding tax provisions relating to payments made to non-residents. It clarifies that the obligation to deduct tax applies to non-residents as well, irrespective of whether the non-residents have a presence in India or not.

In this regard, the Finance Act, 2015 has made the following amendments to the provisions in the ITA relating to indirect transfer of capital asset:

- A foreign company or entity shall be deemed to derive its value substantially from Indian assets if the value of Indian assets represents at least 50 per cent of value of all the assets owned by such foreign company or entity, subject to minimum value of Indian assets of INR 100 million.
- Specified date is 31 March or accounting year end date (as the case may be), preceding the date of transfer. However, if there is an increase in book value of the assets between balance sheet date and date of transfer, by 15% or more, then specified date would be date of transfer.
- Indian assets would include both tangible as well as intangible assets (without reduction of liabilities)
- Where all assets not owned directly/indirectly by foreign company/entity are not located in India, capital gains tax would be proportional to the value of assets located in India.
- Exemptions from tax should be available in respect of small shareholders holding not more than 5% of share capital or voting rights or interest in the foreign entity at any time in the 12 months preceding the date of transfer and who do not hold any right of management and control.
- The CBDT has, on June 28, 2016, issued final rules for determining the fair market value of assets (tangible and intangible) and the income attributable to assets in India in relation to the

taxation of offshore transfer of assets under the provisions of the ITA as well as related reporting requirements and document maintenance obligations.

As per the Finance Act 2017, two provisos have been inserted to specify non-applicability of indirect transfer provisions to FIIs and Category I and II FPIs. The first proviso states that transfer of any investment made by the non-resident in the FIIs would not attract indirect transfer provisions between April 1, 2011 to March 31, 2014. The second proviso states that any transfer of investment made by the non-resident in the Category- I and Category-II FPIs (as provided under SEBI (FPI) Regulations, 2014) would not attract indirect transfer provisions with effect from April 1, 2014.

The Fund is in the process of getting its FPI registration in place and is applying as a Category II FPI. It is expected that the Fund will be granted Category II FPI registration within one month of the date of this Supplement. Investors will be aware that FPI registration has not yet been granted as the initial offer period of the Share Classes will not close until the FPI registration has been confirmed. When Category II FPI registration is granted, then the transfer or redemption of shares held by the investors directly or indirectly in such FPIs will not be subject to any tax/withholding tax in India.

As regards the applicability of tax on dividends distributed by the Fund, the CBDT has, vide its circular no. 4/ 2015 dated 26 March 2015, clarified that as the declaration of dividend by a foreign company outside India does not have the effect of transfer of any underlying assets located in India and therefore the said dividends would not be deemed to be income accruing or arising in India. Therefore the dividends declared by the Fund should not be taxable in India.

If the above-mentioned provisions are applied to non-resident investors of the Fund, it could result in tax liability on investors in respect of transfer/redemption of shares/units in the Fund in case the investors are not covered by the exemptions provided by the Finance Act, 2015. In such a case, a withholding tax obligation is also likely to arise on the Fund in respect of such transfers.

18. Fees and Expenses

The attention of investors is drawn to the “Fees and Expenses” section of the Prospectus.

Fees and expenses relating to the establishment and approval of the Fund will be paid by the Investment Manager. No establishment costs or costs relating to the approval of the Fund will be borne by the Shareholders.

The Fund will bear its attributable portion of the ongoing fees and operating expenses of the Company, as detailed in the Section of the Prospectus headed “Operating Expenses and Fees”.

Investment Manager’s Fees

The Investment Manager shall be entitled to receive from the Company an annual fee of 0.80% of the Net Asset Value of the Company in respect of USD Institutional Dist., USD Institutional Accum., Euro Institutional Dist., Euro Institutional Accum., CHF Institutional Dist., CHF Institutional Accum., SGD Institutional Dist., SGD Institutional Accum., AUD Institutional Dist., AUD Institutional Accum., JPY

Institutional Dist., JPY Institutional Accum., 1.70% of the Net Asset Value of the Company in respect of USD Retail Dist., USD Retail Accum., Euro Retail Dist., Euro Retail Accum., CHF Retail Dist., CHF Retail Accum., SGD Retail Dist., SGD Retail Accum., AUD Retail Dist., AUD Retail Accum. JPY Retail Dist., JPY Retail Accum., 0.80% of the Net Asset Value of the Company in respect of GBP RDR Accum., GBP RDR Dist., USD RDR Dist. and USD RDR Accum., and 2% of the Net Asset Value of the Company in respect of the Class C USD Accum. and the Class C USD Dist., the Class D USD Accum. and the Class D USD Dist. The Investment Manager shall be entitled to be reimbursed by the Company out of the assets of the Fund any properly vouched reasonable out-of-pocket expenses incurred by it on behalf of the Company. The Investment Manager will be responsible for any fees payable to the investment committee and to any Investment Advisor appointed.

All fees and expenses and value added tax payable to the Investment Manager will be calculated and accrue at each Valuation Point and will be payable monthly in arrears or at such intervals and in such currency as may be agreed between the Company and the Investment Manager.

Foreign Portfolio Investors Fee

For registration as an FPI, the registration fees that the Fund will be required to pay will depend on the category of FPI that the Company wishes to register itself as. The Fund will be applying as a Category II FPI and the fees will be USD 3000.

Investment Advisor's Fee

The Investment Advisor shall be entitled to receive from the Investment Manager an annual fee which will be payable out of the Investment Managers fee.

Redemption Fee

Shareholders will not be be subject to a redemption fee.

19. Distributions

For information as to whether Share Classes are accumulating or distributing in nature, please see the Share Class table under the heading "2. Share Classes" above.

Accumulating Share Classes

In the case of accumulating Classes, all net income and net realised and unrealised gains (i.e. realised and unrealised capital gains net of all realised and unrealised losses) less accrued expenses of the Company attributable to the relevant Class will be accumulated and reflected in the Net Asset Value per Share.

Distributing Share Classes

The Directors may distribute dividends in relation to the distributing Share Classes in such amounts as they may determine. The Directors intend to make a quarterly distribution to Shareholders in the distributing Share Classes, comprised of a quarterly dividend calculated as at the last Business Day of January, April, July and October.

The Articles of Association of the Company empower the Directors to declare dividends in respect of any Shares in the Company out of capital or net income and realised and unrealised gains, net of realised and unrealised losses, during the Accounting Period, subject to certain accounting adjustments as necessary.

In the event that the income generated from the Company's investments attributable to the relevant Class during the relevant period is insufficient to pay dividends as declared, the Directors may in their discretion determine that such dividends be paid from capital. Investors should note that where the payment of dividends are paid out of capital, this represents and amounts to a return or withdrawal of part of the amount originally invested or capital gains attributable to that, and will reduce any capital appreciation for the Shareholders of such Class. Any such payments out of capital will only be made to seek to maintain, so far as is reasonable, a stable payment per Share of the relevant Class but the payment per Share of such a Class is not fixed and will vary according to economic and other circumstances, such as the outlook on the Indian fixed income market, and the ability of the Company to support stable bi-annual payments without a long-term positive or negative impact on capital. The Company is managed in the interests of all Shareholders in line with the stated investment objective and policy of the Company and is not being managed to maintain a stable payment per Share of any particular Class.

Where the Directors do decide to declare and pay dividends, dividends of a Class declared, if any, shall be distributed among the Shareholders of the relevant Class rateably in accordance with the number of Shares held by them on the record date as determined by the Investment Manager in respect of the corresponding distribution. For the avoidance of doubt, only Shareholders whose names are entered on the register of Members on such record date shall be entitled to the dividend declared in respect of the corresponding distribution. Any payment of dividends will be made in the Class Currency of the relevant Class of Shares.

Where the Directors do decide to declare and pay dividends, Shareholders can elect to reinvest dividends in additional Shares or have the dividends paid in cash by ticking the appropriate box on the Application Form. Dividends not reinvested in Shares will be paid to the Shareholder by way of bank transfer. Any dividend unclaimed after a period of six years from the date of declaration of such dividend shall be forfeited and shall revert to the account of the Company.

The Directors may at any time determine to change the policy of the Company with respect to distribution. If the Directors so determine full details of any such change will be disclosed in an updated prospectus and all Shareholders will be notified in advance of such change becoming effective.

Pending payment to the relevant Shareholder, dividend payments will be held in an account in the name of the Company and will be treated as an asset of the Company until paid to that Shareholder and will not benefit from the application of any investor money protection rules (i.e. the distribution monies in such circumstances will not be held on trust for the relevant Shareholder). In such circumstances, the Shareholder will be an unsecured creditor of the Company with respect to the distribution amount held by the Company until paid to the Shareholder. In the event of an insolvency of the relevant Company, there is no guarantee that the Company will have sufficient funds to pay unsecured creditors in full.

In the event that distributions payable cannot be paid out to an investor, for example where anti-money laundering documentation is not provided or an investor cannot be contacted, it is the responsibility of the investor to ensure all necessary documentation and information required to resolve the issue is provided promptly and is complete and accurate, so that the distributions payable may be released in a timely manner.

Distributions made during the life of the Fund must be understood as a type of capital reimbursement.

20. Risk Factors

The attention of investors is drawn to the "Risk Factors" section in the Section of the Prospectus entitled "The Company" and the risks in using derivatives highlighted in that section of the Prospectus and should also consider the following risk factors prior to investing in the Fund:

Investment Objective Risk

There is no guarantee that the investment objective of the Fund will be achieved.

Market Risk

The market price of investments owned by the Fund may go up or down, sometimes unpredictably. The value of an investment may decline due to general market conditions, such as real or perceived adverse economic conditions or general adverse investment sentiment. Investments may also decline in value due to factors which affect a particular market sector.

Proprietary Investments

The assets under management at any time during the life of the Fund may include proprietary or seed money invested by one or more interested parties and such investment may constitute a significant portion of such assets under management. Any money invested by interested parties may result in exposure to the performance of the Fund to such interested parties, or may be hedged in whole or part (i.e. reducing such parties' exposure to performance of the Fund). There is no assurance that any such monies will continue to be invested in the Fund by any interested party for any particular time. Redemption of any such proprietary investment in whole or part may affect the viability and/or performance of the Fund. Investors should note that any proprietary investment may benefit from reduced or rebated fees as a result of agreements entered into between the interested party and the Investment Manager.

Certain Risk Factors Concerning India

Given the focus of its investment strategy, the success of the Company will depend in large part on the general economic and business conditions in India. Risks associated with the investments in India, including but not limited to the risks described below, could adversely affect the performance of the Company and result in substantial losses. No assurance can be given as to the ability of the Company to achieve any return on its investments and, in turn, any return on an investor's investment in the Company. Accordingly, in acquiring Shares in the Company, appropriate consideration should be given to the following factors:

Indian Economic Factors

The success of the Company's investments depends in part on general economic and business conditions in India. A significant change in India's economic liberalization and deregulation policies could adversely affect business and economic conditions in India generally and in particular if new restrictions on the private sector are introduced or if existing restrictions are not relaxed over time. Notwithstanding current policies of economic liberalization, the roles of the Indian central and state governments in the Indian economy as producers, consumers and regulators have remained significant. The new government has expected to announced policies and initiatives that support the economic liberalization policies that have been pursued by previous governments. There is, however, no assurance that these liberalization policies will continue in the future. The rate of economic liberalization could change, and specific laws and policies affecting taxation, foreign investment, currency exchange and other matters affecting the Company's investments could change as well. In addition, laws and policies affecting the various investments held by the Company could change, adversely affecting the values or liquidity of securities issued by those companies.

Indian Political Factors

India's relations with other neighbouring countries historically have been tense. Since the separation of India and Pakistan upon their independence in 1947, a source of on-going tension between the two countries has been the dispute over the northern border state of Kashmir. India and Pakistan have fought three wars since independence, and in the last several years both countries have conducted successful tests of nuclear weapons and missile delivery systems. Although there are periodic efforts to normalize relations between the two countries, significant military confrontations between India and Pakistan have occurred in the disputed region of Kashmir in the last few years and both India and Pakistan continue to allocate substantial resources to the defence of their borders as a result. Events of this nature in the future could influence the Indian economy and could have a material adverse effect on the market for securities of Indian companies, and on the market for the services of Indian companies in which the Company may have investments. The Indian government is also confronted by insurgencies and separatist movements in several states in addition to Kashmir.

Indian Stock Market

The Indian stock markets are undergoing a period of growth and change, which may lead to greater volatility and difficulties in the settlement, and recording of transactions and in interpreting and applying the relevant regulations, in comparison to the developed countries. There can be no assurance that the Fund's objectives will be realised or that there will be any return of capital. The following considerations should be carefully evaluated before making an investment in the Fund.

The Indian stock market has previously experienced substantial fluctuations in the prices of listed securities and no assurance can be given that such volatility will not occur in the future.

Shareholders should consider the following factors before making an investment decision:

(a) Allegations of fraudulent transactions have led to a number of crises on the Indian stock exchanges leading to a loss of confidence and temporary closure;

(b) the Indian stock exchanges have been subject to broker defaults, failed trades and settlement delays; which has at certain times lead to closure of the stock exchanges and there can be no certainty that this will not recur;

(c) The Indian stock exchanges are less liquid and experience greater volatility than more established markets and

(d) A disproportionately large percentage of market capitalisation and trading value in the Indian stock exchanges is represented by a relatively small number of issues. Thus, when seeking to sell shares on Indian stock exchanges, little or no market may exist for the securities and settlement of transactions may be subject to delay and administrative uncertainties.

The above factors could negatively affect the Net Asset Value of the Fund, the ability to redeem the Indian securities and the price at which the Indian securities may be redeemed.

Additionally the market regulator, SEBI can impose restrictions on trading in certain securities, limitations on price movements and margin requirements. SEBI may impose such restrictions only in cases where certain rules and regulations are being flouted by companies. If trading is suspended in a particular security due to such an action by SEBI, then the Investment Manager must wait until SEBI change its ruling or another higher authority in India (for example the Security Appellate Tribunal or the Supreme Court in India) pass a judgment in favour of such company. In any case, the Investment Manager will ensure that the Funds investments are well diversified across sectors and market caps and that securities are selected through robust internal processes. From July 2013 onwards, the securities market regulator has been further empowered to carry out various enforcement activities like attaching properties to realize penalties, search and seize information, access special courts for speedy trials, etc. which can significantly affect the related companies. Consequently, an investment in Indian securities should be deemed highly volatile and should be made only by sophisticated persons who are able to bear the risk of complete loss of an investment.

Shareholders should be aware of the risks associated with the Fund's investment policy and are advised to consult with their professional advisors, such as lawyers, financial advisers or accountants, when determining whether an investment in the Fund is/are suitable for them.

Fixed Income and Bond Market Risks

The Indian fixed income and bond markets especially the corporate bond markets are smaller in size and depth which could impact the liquidity in the instruments held by the Company. Also, due to lack of broad based participation from a varied set of investors, the market participants often have uni-directional views which result in extreme reactions in valuations of certain instruments. The bond markets also have dual regulators with RBI regulating the government bond market and SEBI regulating the corporate bond market which leads to dealing with multiple settlement and trading practices.

Limited Liquidity

Some segments of the government bond market and the corporate bond markets have limited liquidity which could impact prices of instruments and limit the ability of the Investment Manager to meet redemption requests. Also, given the nascent stage of the markets, there have been instances where the liquidity for the entire markets has seized up leading to poor price discovery. The Fund will only invest in liquid securities however in certain corporate bonds and government securities there can be limited liquidity, meaning high bid and ask spread.

Investing in Fixed Income Securities

Investment in fixed income securities is subject to interest rate, sector, security and credit risks. Lower-rated securities will usually offer higher yields than higher-rated securities to compensate for the reduced creditworthiness and increased risk of default that these securities carry. Lower-rated securities generally tend to reflect short-term corporate and market developments to a greater extent than higher-rated securities which respond primarily to fluctuations in the general level of interest rates. There are fewer investors in lower-rated securities and it may be harder to buy and sell such securities at an optimum time. The volume of transactions effected in the Indian bond markets may be appreciably below that of the world's larger markets, such as the United States. Accordingly, the Company's investment in such market may be less liquid and their prices may be more volatile than comparable investments in securities trading in markets with larger trading volumes. Moreover, the settlement periods in certain markets may be longer than in others which may affect portfolio liquidity.

Limitations on Investments

Under the applicable Debt Limits, the total FPI investments in Government bonds cannot exceed limits set up by RBI. The Company's debt investments cannot exceed such limits which may be revised from time to time. Due to investment restrictions enforced by SEBI/RBI, FPIs cannot explicitly invest in Certificate of Deposits and/or Fixed Deposits issued by banks. The net effect of this will be that the Company will not be able to explicitly invest in Certificate of Deposits and/or Fixed Deposits issued by banks.

Currency Exchange Rate Risks

Exchange controls have traditionally been administered with stringent measures under the Foreign Exchange Regulation Act ("**FERA**"). The Indian rupee is not convertible on the capital account and most capital account transactions require the prior permission of the RBI. However, throughout the 1990s, the RBI eased the exchange control regime and made it more market-friendly. In the year 1999, the Indian Parliament enacted the Foreign Exchange Management Act ("**FEMA**") to replace FERA. FEMA and the rules made thereunder constitute the body of exchange controls applicable in India. The significant shift in the approach to exchange controls under FEMA is the move from a regime of limited permitted transactions to one in which all transactions are permitted except a limited number to which restrictions apply. FEMA and the notifications under FEMA were effective commencing June 1, 2000. FEMA differentiates foreign exchange transactions between Capital Account Transactions and Current Account Transactions. A Capital Account Transaction is generally defined as one that alters the assets or liabilities, including contingent liabilities outside India, of persons resident in India or assets or liabilities in India of person's resident outside India. FEMA further provides for specific classes of transactions that fall within the ambit of Capital Account Transactions and the RBI has issued regulations governing each such class of transactions. Transactions other than Capital Account Transactions, including payments in connection with foreign trade, current businesses, services, short term credit and banking facilities, interest payments, living expenses, foreign travel, education and medical care are Current Account Transactions.

The RBI has issued regulations governing such Current Account Transactions. While the regulatory regime for hedging genuine currency risk has been relaxed, it is still not practical, given the costs, to hedge currency risks for more than relatively short periods of time, and even for short term hedging the cost can be high. Accordingly, currency risk in relation to the Indian rupee remains a significant risk factor, and the cost of hedging this currency risk (if available) could reduce the Company's returns. A decrease in the value of the Indian rupee would adversely affect the Company's returns, and such a decrease may be likely given India's current account deficits and its budget deficits.

The operation of the Company's bank account in India is subject to regulation by RBI under the Indian foreign exchange regulations. The Indian domestic depositary acting also as the remitting banker will be authorized to convert currency and repatriate capital and income on behalf of the Company. There can be no assurance that the Indian Government would not, in the future, impose certain restrictions on foreign exchange. The repatriation of capital may be hampered by changes in Indian regulations concerning exchange controls or political circumstances. In addition, India may in the future re-introduce foreign exchange control regulations which can limit the ability of the Company to repatriate the dividends, interest or other income from the investments or the proceeds from sale of securities. Any amendments to the Indian exchange control regulations may impact adversely on the performance of the Company.

Also, the exchange rate between the Indian rupee and the U.S. dollar has changed substantially in recent years and may fluctuate substantially in the future. Further depreciation of the value of the Indian rupee as regards foreign currencies will result in a higher cost to the Company for foreign currency denominated expenses, including the purchase of certain capital equipment. In the past the

Indian economy has experienced severe fluctuations in the exchange rates. There can be no assurance that such fluctuations will not occur in the future.

Indian Legal System

Indian civil judicial process to enforce remedies and legal rights is less developed, more lengthy and, therefore, more uncertain than that in more developed countries. Enforcement by the Company of civil liabilities under the laws of a jurisdiction other than India may be adversely affected by the fact that the Company's portfolio companies may have a significant amount of assets in India. The laws and regulations in India can be subject to frequent changes as a result of economic, social and political instability. In addition, the level of legal and regulatory protections customary in countries with developed securities markets to protect investors and securities transactions, and to ensure market discipline, may not be available. Where the legal and regulatory framework is in place, the enforcement may be inadequate or insufficient. Regulation by the exchanges and self-regulatory organizations may not be recognized as law that can be enforced through the judiciary or by means otherwise available to the investors in developed markets.

Updates to the SEBI and the RBI

Under the FPI Regulations, for the Company to be registered as an FPI under Category II which is a “broad based fund” or as a “broad based sub-account”, it should have at least 20 investors with no single investor holding more than 49% of the units or shares of the fund. Though, if any institutional investor holds more than 49% of the units or shares of the fund, then such institutional investor should, in turn, be a “broad based fund” itself, and must satisfy the above criteria.

FPIs are obliged, under the terms of the undertakings and declarations made by them at the time of registration, to immediately notify the SEBI or the designated depository participant (as the case may be) of any change in the information provided in the application for registration. Failure by FPIs to adhere to the provisions of the Securities Exchange Board of India Act, 1992 ("**SEBI Act**"), the rules and the FPI Regulations thereunder renders them liable for punishment prescribed under the SEBI Act and the Securities Exchange Board of India (Intermediaries) Regulations, 2008 which include, inter alia, imposition of penalty and suspension or cancellation of the certificate of registration.

Corporate Disclosure, Accounting, Custody and Regulatory Standards

Indian disclosure and regulatory standards are in many respects less stringent than standards in certain OECD countries. There may be less publicly available information about Indian companies than is regularly published by or about companies in such other countries. The difficulty in obtaining such information may mean that the Company may experience difficulties in obtaining reliable information regarding any corporate actions and dividends of companies in which the Company has invested which may, in turn, lead to difficulties in determining the Net Asset Value with the same degree of accuracy which might be expected from more established markets. Indian accounting standards and requirements also differ in significant respects from those applicable to companies in many OECD countries. Indian trading, settlement and custodial systems are not as developed as certain OECD countries, and the assets of the Company which are traded in the Indian market and which have been entrusted to sub-depositaries in the Indian market may be exposed to risk.

Loss of FPI Registration

For accessing the Indian securities market, the Company will need to be registered as a FPI under the FPI Regulations. The investment by the Company is dependent on the continued registration of the Company as a FPI.

In the event such registration as an FPI is terminated or is not renewed, the Company could potentially be forced to redeem the investments held in the particular share class, and such forced redemption could adversely affect the returns to the Shareholders.

Investigations

Any investigations of, or actions against, the Company initiated by SEBI or any other Indian regulatory authority may impose a ban of the investment and advisory activities of the Company.

Share Currency Designation Risk

A Class of Shares of the Company may be designated in a currency other than the Base Currency of the Company and/or the designated currencies in which the Company's assets are denominated. Redemption proceeds and any distributions to Shareholders will normally be made in the currency of denomination of the relevant Class. Changes in the exchange rate between the Base Currency and such designated currency or changes in the exchange rate between the designated currencies in which the Company's assets are denominated and the designated currency of a Class may lead to a depreciation of the value of such Shares as expressed in the designated currency. Where a Class of the Company is designated as "hedged", the Investment Manager will try to mitigate this risk by using financial instruments within the Company's investments, (see the section "Hedged Classes"). Investors should be aware that foreign currency exposure of the investments this strategy may substantially limit Shareholders of the relevant Class from benefiting if the designated currency of their Shares falls against the Company's Base Currency and/or the currency/currencies in which the assets of the Company are denominated. In such circumstances Shareholders of the relevant Class of Shares of the Company may be exposed to fluctuations in the Net Asset Value per Share reflecting the gains/losses on and the costs of the relevant financial instruments. Financial instruments used to implement such strategies shall be assets/liabilities of the Company as a whole. However, the gains/losses on and the costs of the relevant financial instruments will accrue solely to the relevant Class of Shares of the Company.

Shareholders should note that generally there is no segregation of assets and liabilities between Classes in the Company and therefore a counterparty to a derivative overlay entered into in respect of a hedged Class may have recourse to the assets of the Company attributable to other Classes of the Company where there is insufficient assets attributable to the hedged Class to discharge its liabilities. While the Company has taken steps to ensure that the risk of contagion between Classes is mitigated in order to ensure that the additional risk introduced to the Company through the use of a derivative overlay is only borne by the Shareholders in the relevant Class, this risk cannot be fully eliminated.

21. Calculation and Publication of Net Asset Value per Share

The Net Asset Value per Share is calculated in accordance with the "Determination of Net Asset Value" section of the Prospectus, using closing bid prices.

In addition to the publication of the Net Asset Value per Share in the manner described in the Prospectus at the section entitled "Publication of Net Asset Value per Share", the Net Asset Value per Share of the Fund shall also be available from Bloomberg, which shall be updated following each calculation of Net Asset Value per Share.

22. Communications and Notices to Shareholders

Communications with Shareholders will also be published on the website of the Investment Manager, being www.utifunds.com.sg. Investors should regularly visit this website, or request that their stockbrokers or other financial agents or advisors do so on their behalf, to ensure that they obtain such information on a timely basis.

23. Profile of a Typical Investor

Typical investors will be (i) those who are particularly knowledgeable in investment matters, in particular financially sophisticated high net worth individuals and institutional investors and (ii) retail investors although retail investors are primarily expected to invest in Shares through the secondary market. An investment in the Fund is only suitable for investors who are capable of evaluating the risks and merits of such investment and who have sufficient resources to bear any loss which might result from such investment. Prospective investors should consult with their professional and financial advisors before making an application for Shares.

The Fund is suitable to investors with a medium to long term time horizon (typically 3 to 5 years). The investment is not suitable for short term investors.

Dated 27th February, 2018

Appendix I – FPI Regime

Investment Restrictions applicable to FPIs

Under the FPI Regulations, FPIs are permitted to invest in the following instruments subject to conditions as may be specified by the RBI or SEBI from time to time:

- securities in the primary and secondary markets including shares, debentures and warrants of companies listed or to be listed on a recognised stock exchange in India;
- units of schemes floated by domestic mutual funds;
- units of schemes floated by a collective investment scheme;
- dated Government securities;
- listed non-convertible debentures ("NCDs")/bonds issued by an Indian company;
- derivatives traded on a recognized stock exchange in India;
- commercial papers issued by Indian companies;
- INR denominated credit enhanced bonds;
- security receipts issued by Asset Reconstruction Companies (ARCs);
- Indian depository receipts;
- to be listed NCDs / bonds, only if the listing of such NCDs/ bonds is committed to be done within 15 days such investment;
- listed and unlisted NCDs/ bonds issued by companies in the infrastructure sector. Infrastructure sector companies are companies that are engaged in activities pertaining to (i) power, (ii) telecommunication, (iii) railways, (iv) roads including bridges, (v) sea port and airport, (vi) industrial parks, (vii) urban infrastructure (water supply, sanitation and sewage projects), (viii) mining, exploration and refining and (ix) cold storage or cold room facility, including for farm level pre-cooling, for preservation or storage of agricultural and allied produce, marine products and meat;
- NCDs/bonds issued by non-banking financial companies categorised as infrastructure finance companies by the RBI;
- Rupee denominated bond/units issued by infrastructure debt funds;
- Perpetual debt instruments and debt capital instruments, as specified by the RBI from time to time.

Investment Requirements

In order to gain access to the Indian market, currently the Company must have the following:

1. FPI registration with the designated depository participant;
2. PAN card issued by Indian Income Tax department. The PAN card means the Permanent account number. This is a ten-digit alphanumeric number, issued in the form of a laminated card, by the Income Tax Department in India, to any "person" who applies for it or to whom the department allots the number without an application;
3. NSCCL/BSE codes for facilitating the trading in both the exchanges;
4. Appointment of an compliance officer;
5. Custody account with the Indian depositary bank acting as sub-depositary to the Depositary; and

6. Special non-resident rupee account with an AD Bank in India.