

**CONFIDENTIAL SHELF PRIVATE PLACEMENT MEMORANDUM FOR
CO-INVESTMENT SCHEME(S)**

[For private circulation only]

By [name of the AIF] for [name of affiliated Main Scheme]

*[The AIF] is registered with SEBI as a Category [I/II] Alternative Investment Fund
with effect from [date of registration]*

Registration No. _____

Trustee (For AIFs set up as Trust):

Manager: [•]

*This private placement memorandum, with respect to the affiliated / relevant scheme, is being furnished to you on a confidential basis for you to consider investing in the units of the co-investment scheme (“**CIV Scheme**”) in relation to [name of the affiliated / relevant scheme (“**Main Scheme**”)], a scheme of [the AIF], which is established as Trust/Company/LLP under the Indian Trusts Act, 1882/Companies Act, 2013. This private placement memorandum (“**Memorandum**” / “**Shelf PPM**”) shall not be reproduced or provided to others without the prior written permission of the Manager.*

The information contained in this Memorandum may not be provided to others who are not directly concerned with your decision regarding the proposed investment. By accepting delivery of this Memorandum, you agree to the foregoing, and to return this Memorandum if you do not invest in the units of the CIV Scheme(s) of the Main Scheme, as the case may be. Investors are requested to note that no returns from the CIV Scheme(s) are assured or guaranteed. It is clarified that this Memorandum is qualified in its entirety by reference to the detailed information contained in the memorandum of the Main Scheme of the AIF.

Name of accredited investor: _____

Copy No. _____

Client ID (if any) of the Main Scheme _____

Important Notice

An investment in the CIV Scheme(s) is suitable only for those investors of the Main Scheme of the AIF that are fulfilling the Eligibility Criteria defined hereinbelow and requires the financial ability and willingness to remain invested for the total tenure of the respective CIV Scheme(s), to accept the high risks and lack of liquidity inherent in an investment in scheme(s) of this nature.

There can be no assurance that a CIV Scheme will achieve its target returns.

(Signature of Investor)

Name of Investor: _____

Name of the Distributor (if applicable)_____

Date : _____

Place : _____

DISCLAIMER

[Please note that while the below is indicative language, please add required notices and other qualifications, that may be relevant from the CIV Scheme perspective, herein under]

This confidential memorandum is issued in connection with and relates to investments in the units of scheme(s), which is a CIV Scheme(s) of the Main Scheme of the AIF. The Main Scheme is registered with / is a scheme of [•], which is registered with the Securities and Exchange Board of India (“SEBI”) as a category [I/II] alternative investment fund (“AIF”) under the SEBI (Alternative Investment Funds) Regulations, 2012 (“AIF Regulations”). This Memorandum does not constitute an offer or a solicitation of an offer to subscribe to the units described herein from any person other than the person whose name appears on the cover page of this Memorandum. No person, other than such person, receiving a copy of this Memorandum, may treat the same as constituting an offer or a solicitation of an offer to subscribe to the units of the CIV Scheme(s) described herein.

The information in this [draft] memorandum for the CIV Scheme(s) is not exhaustive and may be changed. This Memorandum is not an offer to subscribe to the units and does not solicit an offer to subscribe to units in any jurisdiction where the offer or sale is not permitted.

Notwithstanding anything contained in the CIV scheme(s) documents, the Manager shall continue to be responsible for the compliance with the AIF Regulations, SEBI circulars, and the directions issued by SEBI, from time to time, and other applicable laws in relation to operations and reporting by AIFs. The Manager has taken all reasonable care to ensure that the information in this Memorandum is true and accurate in all material respects and that there are no material facts, the omission of which would make any statement in this Memorandum, whether of fact or opinion, misleading. No other representation, warranty or undertaking is given in respect of the information in this Memorandum by the Manager or by any other person duly authorized by the Manager and neither the Manager nor any other person duly authorized by the Manager takes responsibility for the consequences of reliance upon any statement or information contained in, or any omissions from, this Memorandum.

Prospective investors should review the CIV Scheme(s) documents carefully. Nothing in this Memorandum, the information contained in it or any other information supplied in connection with the CIV Scheme (other than the CIV Scheme documents, the terms set out in the summary of principal terms section of this Memorandum to the extent incorporated in the CIV Scheme documents by reference, and the confidentiality understanding contained herein) shall form the basis of any contract.

The units of the CIV Scheme(s) are not being offered for sale or subscription to public, but are being privately placed with a limited number of eligible investors of the Main Scheme of the AIF as per the AIF regulations, and the Eligibility Criteria provided below, as well as in the private placement memorandum of the Main Scheme. Information provided herein has not been approved by SEBI or any other legal or regulatory authority in India, nor has any such regulatory authority passed upon or endorsed the accuracy or adequacy of this memorandum.

Investors may request additional information in relation to the fund by writing to the Manager:

Name of the Manager:

Name of Contact Person:

Communication Address:

Telephone No.:

Email:

Directory

A. Investment Manager

Name	
Registered Address	
Communication Address	
Tel	
Email id	

B. Trustee

Name	
Registered Address	
Communication Address	
Tel	
Email id	

C. Custodian

Name	
Registered Address	
Communication Address	
Tel	
Email id	

D. Merchant Banker

Name	
Registered Address	
Communication Address	
Tel	
Email id	

E. Legal Advisor

Name	
Registered Address	
Communication Address	
Tel	
Email id	

F. Tax Advisor

Name	
Registered Address	
Communication Address	
Tel	
Email id	

[Please note:

- a. This is a template for shelf PPM (“Shelf PPM or Memorandum”) for Co-investment Scheme(s), and in case any head/point/section included herein under is not applicable to such scheme(s), in any manner whatsoever, it will be required to be mentioned, against such head/point/section of the PPM, that the same is “not applicable” to the CIV Scheme(s).*
- b. This Shelf PPM is the placement memorandum for all the co-investments offered by the Main Scheme of the AIF through the CIV Scheme(s).*
- c. In case additional information is required to be disclosed in the Shelf PPM for CIV Scheme(s), which is in addition to the already-stated information contained in this template Shelf PPM, the Shelf PPM may include “supplementary information” sub-sections at the end of each section of the Shelf PPM, in order to cover such additional information, that would be otherwise relevant to the sections captured in this template Shelf PPM. In addition to such section-specific supplementary information, an additional section, i.e. “Section___ - Supplementary Information”, can be provided at the end of the Shelf PPM, for inclusion of all such additional information, that is not relevant to any section of the template Shelf PPM, but is required to be disclosed to investors, such as key risk factors, conflicts of interest for the CIV Scheme(s), etc.*
- d. Please note this template can be modified if the AIF is established as a company or limited liability partnership, wherever applicable.]*

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SECTION I: KEY DETAILS APPLICABLE TO CIV SCHEME(S) OF THE MAIN SCHEME

1. CIV Scheme Structure and Governance Structure

- CIV Scheme structure chart and brief details of the relevant entities to be provided here for quick reference.
- For further details, please refer to Section IV: Fund Structure and Section V: Governance Structure of the private placement memorandum of the Main Scheme of the AIF (“**Main Scheme PPM**”).

2. Principle Terms of the CIV Scheme

This section provides the principal terms of CIV schemes of the main scheme (name of scheme) of AIF (name of AIF), which may be provided in detail elsewhere in this document and may also have references in the PPM of the main scheme (name of scheme) of AIF (name of AIF). The terms hereof are subject to modification or withdrawal, subject to prior intimation or prior approval, as the case may be.

1.	AIF	<ul style="list-style-type: none">• [Full name of the AIF]• [Registration No. of AIF]• [Relevant category of registration under the AIF Regulations]
2.	Main Scheme of the AIF	<ul style="list-style-type: none">• Name, and details of the Main Scheme of the AIF to be provided – registration no. of the AIF to be provided.
3.	Sponsor of the AIF	<ul style="list-style-type: none">• [Name, nature of entity and registered address]
4.	Manager of CIV Scheme / AIF	<ul style="list-style-type: none">• [Name, nature of entity and registered address]
5.	Investment Objective and Strategy	<ul style="list-style-type: none">• To facilitate additional investment in unlisted securities of an investee company where Main Scheme of AIF is making investment or has made investment
6.	Eligible Investors	<ul style="list-style-type: none">• Please provide objective parameters and norms basis which the accredited investors of the Main Scheme of the AIF will be offered co-investment rights• The Investors shall be required to provide the copy of accreditation certificate and declarations that may be provided for confirming that they fulfill the Eligibility Criteria, and are consenting to take part in the Scheme.
7.	Classes of Units	<ul style="list-style-type: none">• Description of different classes of units to be issued by the CIV Scheme(s)• Complete specification as to eligibility for each class of investors to whom each of such class of units will be allotted by the CIV Scheme(s)• To clearly state that basis for issuing different classes of units issued by the CIV Scheme(s) shall not result in having any adverse impact on the economic or any other rights among investors.

8.	Sponsor / Manager Commitment	<ul style="list-style-type: none"> Sponsor / Manager are not obligated to mandatorily invest in the CIV Scheme(s). If any, details thereof (in case % etc.)
9.	Minimum Capital Commitment	<ul style="list-style-type: none"> Only accredited investors are allowed to invest in CIV Scheme(s), thus minimum commitment is not applicable
10.	Contribution by Investors	<ul style="list-style-type: none"> Contribution by the investors shall be made upon the investors deciding / agreeing to make additional investment in the investee company of the Main Scheme through CIV Scheme
11.	Excuse and Exclusion	<ul style="list-style-type: none"> In case an investor of a scheme of an AIF excused / excluded from or defaults in contributing to the investment made in an investee company by Main scheme of AIF, such investor shall not be allowed to co-invest in the said CIV Scheme(s) launched for additional investment in such investee company.
12.	Allocation methodology	<ul style="list-style-type: none"> Please provide the norms and principles based on which the investment opportunity will be allocated to eligible co-investors – whether it will be <i>pro-rata</i> to their commitment in the Main Scheme, or whether it will be a time-based priority, or any other method. Please also provide cross referencing to the relevant section in the PPM of Main Scheme of the AIF
13.	Term of the CIV Scheme and Termination	<ul style="list-style-type: none"> The terms of co-investment in an investee company by a CIV scheme shall not be more favourable than the terms of investment of the scheme of AIF. The timing of exit from the co-investment in an investee company shall be identical to exit of the scheme of the AIF from the investment in the investee company. The CIV Scheme shall continue until the date of exit from the investee company by the Main Scheme of the AIF Indicative actions that the Manager proposes to undertake to achieve effective winding up of the Scheme Manner of dealing with investments which are not liquidated at the end of Term of the Main Scheme of AIF
14.	Expenses of the Manager	<ul style="list-style-type: none"> Expenses to be borne by the Manager, that shall not be charged to the Scheme(s).
15.	Expenses (including Operating Expenses and Set-Up Expenses) charged to the Scheme	<ul style="list-style-type: none"> Expenses to be borne by the CIV Scheme(s) <p><i>[Note:</i></p> <ol style="list-style-type: none"> <i>Any expenses associated with co-investment, shall be shared proportionately between the Main Scheme of the AIF and CIV Scheme in the ratio of their investments.</i>

16.	Management Fee	<ul style="list-style-type: none"> Indicative range and the basis of charging management fee (in percentage per annum) for each class of units Frequency and timing of charging management fee to each contributor/ Fund (in tabular format) State if the proposed management fee shall be exclusive or inclusive of any applicable taxes (GST, etc.)
17.	Other Fees	<ul style="list-style-type: none"> Constituents for “other fees” that may be charged by the CIV Scheme. Frequency of charging: fixed/variable Provide indicative rates/cap
18.	Hurdle Rate of Return	<ul style="list-style-type: none"> Define ‘Hurdle Rate of Return’ Indicative range of Hurdle Rate of Return for each class of units (as applicable) (in tabular format) Applicable currency for computation of Hurdle Rate of Return Basis of determination of the hurdle rate of return (e.g. XIRR function in Excel)
19.	Additional Return	<ul style="list-style-type: none"> Indicative range of rate of additional return/carried interest including if there is any differential additional return/carried interest on different classes of units (in tabular form) Basis of charging such additional return/carried interest State clearly if there is any discretion with the Manager for varying the additional return/carried interest
20.	Transmission of Units	<ul style="list-style-type: none"> Transmission of units of the CIV Scheme(s) and the process to be followed for the same.
21.	Distribution in-kind / In-specie Distribution	<ul style="list-style-type: none"> In-specie distribution of assets of CIV scheme shall be made only in case the Main Scheme of the AIF carry out in-specie distribution of its investment, subject to provisions of AIF Regulations. Allocation of distribution proceeds across each class of units of the CIV Scheme Distribution waterfall for each class of units of the CIV Scheme (summarised in simplified terms)
22.	Distribution	<ul style="list-style-type: none"> Investors of a CIV scheme shall have rights in the investment of the CIV scheme and in the distribution of proceeds of the investment, pro-rata to their contribution to the CIV scheme, except to the extent carried interest is shared with the sponsor or manager of the AIF or employees/directors/partners of the manager of AIF. The proceeds received by the CIV Scheme from its corresponding and co-terminus exit are to be distributed to the Investors of the CIV Scheme pro-rata to their contributions
23.	Borrowing	<ul style="list-style-type: none"> The CIV Scheme(s) shall not borrow funds directly or indirectly or engage in any leverage.

24.	Valuation	<ul style="list-style-type: none"> The valuation of an investment in an asset of the Main Scheme of AIF are to be carried out in terms of provisions of AIF Regulations. Accordingly, the valuation of CIV's investment in the same asset shall be same as that of Main Scheme of the AIF.
25.	CIV Scheme documents	<p>The CIV Scheme documents shall constitute:</p> <ul style="list-style-type: none"> Clarify that as to which CIV Scheme document should prevail over which other CIV Scheme document(s) To clarify which documents shall be shared with prospective investors upfront, manner in which such documents shall be shared and also which documents shall be shared only upon express request by the prospective investor.
26.	Amendments and Waivers	<ul style="list-style-type: none"> The Manager may from time to time make any general amendment to this Memorandum, as it considers necessary or desirable, subject to prior intimation or prior approval of the investors of CIV Scheme as the case may be. Such amendment & the process of investment shall be subject to requirement under AIF Regulations.
27.	Indemnification	<ul style="list-style-type: none"> Whether indemnification of the Manager, Sponsor, affiliates thereof, and such other parties as applicable Actions for which such indemnification by the CIV Scheme(s) may be applicable Indicative scenarios when aforementioned indemnification is not applicable [Notes: The list of scenarios is for illustration only]
28.	Clawback of Additional Return	<ul style="list-style-type: none"> Define clawback of additional return Conditions that are applicable for application of clawback Time period for clawback Escrow arrangement for keeping monies so obtained by the CIV Scheme from such clawback (if any)
29.	Giveback by the Investors (of distributions received)	<ul style="list-style-type: none"> Define giveback by investors Situations for giveback, as may be applicable Limitations, including the extent of giveback and other limitations as may be applicable Process to be followed in case of giveback
30.	Reporting	<ul style="list-style-type: none"> Frequency and type of reporting to the investors and SEBI as required by the AIF Regulations <i>Suo-motu</i> in case of any additional reporting that the Manager may deem necessary Continuing/ongoing disclosures
31.	Confidentiality	<ul style="list-style-type: none"> The investor shall maintain the confidentiality of any information regarding the CIV Scheme(s), the Trustee, the Manager, their respective affiliates and the portfolio company and its affairs, received by the investor as a result of its status as an investor to the CIV Scheme(s), unless <i>[please insert instances of exceptions to confidentiality, as may be applicable to the Scheme]</i>.

32.	Auditors	<ul style="list-style-type: none"> Name of the proposed auditor or any qualification criteria for the CIV Scheme to appoint an auditor, including the term for which such auditor is appointed.
33.	Grievance Redressal	<ul style="list-style-type: none"> Details of measures in place to address investor grievances to be given. This shall include AIF's SEBI SCORES details, ODR, arbitration process and other legal remedies as applicable – this will be the same as the grievance redressal mechanism of the Main Scheme of AIF / AIF.

3. For other details, please refer to relevant sections of the placement memorandum of Main Scheme of the AIF viz. Section VI: Track Record of Manager, Section VIII: Principles of Portfolio Valuation, Section IX: Conflict of interest, Section X: Risk Factors, Section XI: Legal, Regulatory, and Tax Consideration, Section XII: Illustration of Fees, Expenses and Other Charges, Section XIV – Disciplinary History, Section XV- Glossary.

SECTION II: CONFLICTS OF INTEREST

This section shall lay out, in detail:

- **All potential sources of conflicts of interests that the Manager envisages due to additional investment in the investee company of the Main Scheme through CIV Scheme**

[Note: Also please refer to Section IX: Conflict of interest of the placement memorandum of Main Scheme of the AIF]

SECTION III: SUPPLEMENTARY INFORMATION

[Note: Any additional information in relation to the Fund/Scheme, Manager, investment team which does not form part of the standard disclosures and the section-wise supplementary section under the earlier sections, may be indicated hereinunder.]