

SUPPLEMENT 2 DATED 4th June, 2015
to the Prospectus issued for UTI Goldfinch Funds Plc dated 30th September, 2014

UTI India Dynamic Equity Fund

This Supplement contains information relating specifically to the UTI India Dynamic Equity 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 30th September, 2014 (the “Prospectus”) which precedes this Supplement and is incorporated herein.

As at the date of this Supplement, the Company has one other existing fund, **UTI India Sovereign Bond UCITS ETF**.

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, Mumbai 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
"U.S. Person"	means a U.S. Person as defined in Regulation S under the 1933 Act
“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
Retail	USD	10.00	500	500	500	500	Unhedged
Institutional	USD	10.00	500,000	500,000	50,000	50,000	Unhedged
RDR	USD	10.00	500	500	500	500	Unhedged
Euro	Euro	10.00	500,000	500,000	50,000	50,000	Unhedged

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 achieve medium to long-term growth through investment primarily in growth oriented Indian stocks which are listed on the Mumbai Stock Exchange and the National Stock Exchange in India.

4. Investment Policy

The Fund intends to achieve its investment objective by investing primarily in a diversified portfolio of equities and equity related securities of (i) large, mid and small-cap companies that 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 and then these stocks are listed as per the market capitalisation from top to bottom. The stocks falling in the top 70 percentile are listed as large cap companies. Stocks falling between 70th to 90th percentile are listed as mid cap companies and finally stocks after the 90th percentile are listed as small cap companies.

The Investment Manager does not have defined limits for investments into large, mid and small-cap companies however they endeavour to hold approximately 60-80% investment in large cap companies and approximately 20-40% investment in mid and small cap companies depending on various factors. The Fund will follow a bottom-up approach to stock picking and will build its portfolio 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 well 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 portfolio 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 portfolio 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.

5. Investment Strategy

The Investment Manager shall 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 stable and secular growth prospects, ability to generate high operating cashflows and preferably free cashflows as well. 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, 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.

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.

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 Custodian.

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.

7. Efficient Portfolio Management Techniques

The Fund will not invest in derivatives instruments (including structured deposits, products or instruments) for investment or hedging purposes. Furthermore, the Fund itself will not be leveraged for investment, efficient portfolio management or hedging purposes.

8. 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 Promoter and Distributor of the Company.

9. Investment Committee

The Investment Manager has appointed an investment committee to provide investment advice. The investment committee will provide an oversight role for the Investment Manager. The biographical details of the members are set out below.

- (vi) Mr. N Murali, CFA, Head – Investments, UTI International (Singapore) Private Limited (as described under the sub-heading “Investment Manager” above).
- (vii) Mr. Viral Bhuta, Portfolio Manager – Fixed Income, UTI International (Singapore) Private Limited (as described under the sub-heading “Investment Manager” above).
- (viii) Mr Praveen Jagwani - (as described under the sub-heading “Directors” above)
- (ix) Mr. Faizal Alawdeen – Research Analyst

Mr. Alawdeen joined UTI International (Singapore) Private Limited in September 2010 as a Research Analyst. He has a Masters of Science in Mathematics (Research) and a Bachelor of Science (Honors) in Applied Mathematics from National University of Singapore. He has five years of industry experience and has previously worked at Overseas Chinese Bank Corporation and The Royal Bank of Scotland plc. He is conversant in Mandarin, Malay and Tamil.

(x) 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 Senior Vice President, Product Control with UTI International (Singapore) Private Limited. His job responsibilities consist of fund structuring 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 portfolio 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. To date no such situation has arisen.

10. 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. The firm provides support services to the Government of India for managing assets of USD 10 billion and has a client base of over 10 million investors.

11. Initial Offer of Shares

Shares in each Class will be offered to investors during the period from 9am (Irish time) on the 5th June, 2015 to 5pm (Irish time) on the 30th June, 2015 (the "Initial Offer Period") at the Initial Price of USD 10.00 per Share in the case of the Retail class, the Institutional class and the RDR class and Euro 10.00 per share in the case of the Euro class, 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.

12. 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 initial investor 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 Net Asset 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 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.

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 7 Business Days after the relevant Dealing Day.

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.

Subscription Fees

Subscription fees of up to **5%** of the total subscription amount may be charged by any Distributor appointed to the Company.

13. 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.

14. 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 accepted 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 Custodian 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.

15. 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.

16. 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 UTI International (Singapore) Private Limited, 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.

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 FII's and their sub accounts is taxable as per the provisions of Section 115AD of ITA.

The Indian Government has 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. Please note that 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*
<ul style="list-style-type: none"> • 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

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 an effective rate of 20.358% of the total dividend. 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:

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

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.

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.

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 and therefore would not be taxable in India by virtue of Article 13 of the India- Ireland tax treaty. Even in case such income is characterised as 'Income from other sources', it would not be subject to tax in India by virtue of Article 22 of the India-Ireland tax treaty.

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 bonafide 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. The GAAR provisions, as per Finance Act, 2015, are stated to come into effect on or after 1 April 2017. Further, the Finance Minister, in his Budget speech during the introduction of Finance Bill, 2015 indicated that the GAAR provisions would apply prospectively to investments made on or after 1 April 2017.

The Central Government has also notified GAAR rules. A summary of the key points from the notified GAAR rules are set out below:

- The GAAR provisions would apply only where the tax benefit (to all the parties in aggregate) from an arrangement in a relevant year exceeds INR 30 million.
- Investments in FPIs made by Non-Resident Investors by way of offshore derivative instruments (such as Participatory Notes), directly or indirectly, are excluded from the ambit of the GAAR provisions.

The GAAR provisions are to be applied in accordance with the guidelines which will be prescribed by the CBDT in due course. In view of the above and depending on how the final GAAR guidelines are worded by the CBDT, it is uncertain whether GAAR would be invoked in the Fund's case to deny treaty benefits.

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 following additional clarifications would be prescribed:

- Manner of determination of fair market value of the Indian assets
- Method for determination of proportionate value of Indian assets

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.

17. Fees and Expenses

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

The Fund shall bear (i) its proportion of the fees and expenses attributable to the establishment and organisation of the Company as detailed in the Section of the Prospectus headed “Establishment Expenses” for the remainder of the period over which such fees and expenses will continue to be amortised; (ii) the fees and expenses relating to the establishment and approval of the Fund, including the fees of the Company’s professional advisers, the fees and expenses incurred with respect to registering the Shares of the Fund for sale in various markets, and the expenses associated with the issue of Shares, including the costs incurred in connection with the preparation and publication of this Supplement, and all legal and printing costs are not expected to exceed USD 150,000.00 and these fees and expenses will be paid out of the assets of the Fund and amortised over the first five years of the Fund’s operation or such other period and in such manner as the Directors may in their discretion determine.

The Fund will also 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 the Institutional Class, 1.70% of the Net

Asset Value of the Company in respect of the Retail Class, 0.80% of the Net Asset Value of the Company in respect of the RDR Class and 0.80% of the Net Asset Value of the Company in respect of the Euro Class. The Investment Manager shall be entitled to be reimbursed by the Company out of the assets of the Company 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. For Category I FPIs, there are no registration fees while for Category II FPIs and Category III FPIs, the registration fee is USD 3000 and 300, respectively. 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 subject to a redemption fee.

18. Distributions

The Directors are entitled to declare and pay dividends for Shares in the Fund. The Directors may declare and pay dividends on a semi-annual basis equal to; net income and realised and unrealised gains, net of realised and unrealised losses. Any dividend will be declared on the last Business Day in January and in July in each year or on such other date as may be determined by the Directors, or such other frequency as the Directors consider appropriate. The Fund may commence declaring and the payment of dividends for the relevant Class twelve months following the date of the closing of the Initial Offer Period for that Class. The Directors may also determine if and to what extent dividends paid include realized capital gains and/or are paid out of capital attributable to the relevant Class. Dividends declared will be paid in cash and payment will be made to the relevant Shareholders pre-designated bank accounts, net of bank charges.

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. Shareholders should note that some or all of the dividends of the Fund may be paid from the capital of the Fund. The policy of paying dividends from capital will have the following effects (i) capital will be eroded, (ii) distribution is achieved by forgoing the potential for future capital growth and (iii) the cycle may continue until all capital is depleted. The rationale for providing for the payment of dividends out of capital is to allow each Fund the ability to maximise the amount distributable to investors who are seeking a higher dividend paying Share Class. Shareholders should also note that the payment of dividends out of capital may have different tax implications to distributions out of income and therefore tax advice should be sought in this regard.

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 Fund.

The Directors may at any time determine to change the policy of the Fund with respect to distributions. If the Directors so determine, full details of any such change will be provided in an updated prospectus or supplement and will be notified to Shareholders in advance of such change becoming effective.

19. Risk Factors

Both Indian stock exchanges (BSE and NSE) are quite old and liquid. The domestic equity mutual fund market as of 31st March is of USD 55 Billion (<https://www.amfiindia.com>) apart from that total custody of the equity assets by FPI as 31st March 2015 is USD 207 Billion (www.fpi.nsdl.co.in)

BSE: Established in 1875, BSE (formerly known as Bombay Stock Exchange Ltd.), is Asia's first & fastest Stock Exchange with the speed of 200 micro seconds and one of India's leading exchange groups. Over the past 140 years, BSE has facilitated the growth of the Indian corporate sector by providing it an efficient capital-raising platform. Popularly known as BSE, the bourse was established as "The Native Share & Stock Brokers' Association" in 1875. BSE is a corporatized and demutualised entity, with a broad shareholder-base which includes two leading global exchanges, Deutsche Bourse and Singapore Exchange as strategic partners.

More than 5500 companies are listed on BSE making it world's No. 1 exchange in terms of listed members. The companies listed on BSE command a total market capitalization of USD 1.63 Trillion as of March 2015. It is also one of the world's leading exchanges (10th largest in March 2015).

NSE: The **National Stock Exchange of India Limited (NSE)** is the leading [stock exchange](#) of India, located in [Mumbai](#). NSE was established in 1992 as the first demutualized electronic exchange in the country. NSE was the first exchange in the country to provide a modern, fully automated screen-based electronic trading system which offered easy trading facility to the investors spread across the length and breadth of the country.

NSE has a [market capitalization](#) of more than US\$1.58 trillion, making it [the world's 11th-largest stock exchange](#) as of 31st March 2015. NSE's flagship index, the [CNX Nifty](#), the 50 stock index, is used extensively by investors in India and around the world as a barometer of the Indian capital markets.

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 current Government of India is led by the Bhartiya Janta Party which has recently won a majority of the seats in the recent election held in May 2014. 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. More recently, terrorist attacks in November 2008 in Mumbai have heightened tensions and security risks in both countries. 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 capitalization 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.

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 custodian 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-custodians in the Indian market may be exposed to risk in circumstances in which the Custodian will have no liability.

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.

20. 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.

21. 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.

22. 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 4th June, 2015

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:

7. FPI registration with the designated depository participant;
8. 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;
9. NSCCL/BSE codes for facilitating the trading in both the exchanges;

10. Appointment of an compliance officer;
11. Custody account with the Indian custodian bank acting as sub-custodian to the Custodian; and
12. Special non-resident rupee account with an AD Bank in India.