



CONFLICT MANAGEMENT

Objective	<p>This policy establishes guidelines so that all the Funds managed by Paradise Moon Private Limited ("Investment Manager") comply with the applicable laws in prohibiting potential conflict of interest.</p> <p>This Policy manages conflicts of interest and ensure that the interest of the invested stakeholders is placed before the interest of the entity.</p> <p>It identifies possible situations where such conflict management situations may arise and broad procedure is herein put in place to mitigate such conflict.</p>
Rationale & Scope	<p>"Policy" or "This Policy" means, Conflict Management or Policy on Prevention of Conflict of Interests.</p> <p>The purpose of this Code is to set up an appropriate mechanism to regulate, monitor, report and prohibit any conflict of interests wherein acts as an investment manager to alternative investment funds and also provides business consultancy services.</p> <p>Such entities are hereinafter collectively referred to as the "Funds" and individually as the "Fund".</p>
Applicability	This Policy applies to the Partner(s) and all the employees of the Fund.
Approved By	The Policy is approved by the Management of the Fund.
Review History	<p>This Policy is to be reviewed annually.</p> <p>It may be amended from time to time at the discretion of the Management.</p>

THE POLICY	
INSTANCES OF CONFLICTS	
Transactions of concerned parties	<p>Companies wholly or substantially owned by the Settlor, Investment Manager, Trustee and members of the Investment Committee and/or their affiliates may:</p> <ul style="list-style-type: none"> • Provide to Investee Undertakings and potential Investee Undertakings a broad range of financial services including bridge financing and long term debt financing, underwriting or private placements of securities, financial advice and merger and acquisition advice; • Have a majority or minority equity stake in Investee Undertakings or potential Investee Undertakings. • Have established long term relationships with a substantial number of Indian companies. • Handle other accounts that invest in assets eligible for purchase by the Fund.



Interests of concerned parties	The interest of the Settlor, Investment Manager, Trustee and members of the Investment Committee and/or their affiliates in maintaining and promoting their lending, investment and other activities may affect the Investment Manager's and/or the Investment Committee's decision to pursue a transaction representing an investment opportunity for the Fund or the manner in which such transaction is structured, negotiated and managed by the Investment Manager.
	The Investment Manager while acting as the investment manager of the Fund may from time to time effect transactions in securities issued by a Portfolio Company that is otherwise a (i) client or (ii) investee company of any of the affiliate/group companies of the Investment Manager. It may also effect transactions by the Fund in securities in which an affiliate/group company may have a financial or other business interest at any time
Confidentiality Issues	Due to confidentiality requirements the Settlor, Investment Manager, Trustee and members of the Investment Committee and/or their affiliates may not be in a position and shall not be obliged to disclose any information in respect of the above-mentioned transactions.
Investments in other funds	The Investment Manager may also be responsible for other funds ("Other Funds"). It may be possible that Other Funds might compete with the Fund for investments in other Investee Undertakings. In general, the Investment Manager will refer all such investment opportunities, during the Commitment Period, first to the Fund.
Other Fees	The Investment Manager as investment manager of the Fund may effect transactions in securities in respect of which any of its affiliate(s)/group company(ies) may benefit from a commission or fee
Disinvestments with Other Funds Purchase from and sale of investments to Interested Parties	<p>The Fund expects that there may be an overlap between the disinvestment periods of the Fund and the Other Funds. In general, in the case where the Fund disinvests off a Portfolio Investment in a particular Investee Undertaking where Other Funds may have also invested, such disinvestment will be on a pro rata basis, unless the Investment Manager believes another basis to be fair and reasonable in light of the remaining period of the Fund.</p> <p>The Investment Manager may purchase investments from, or sell investments to Interested Parties. In such cases, conflicts may arise in determining the price and terms of the sale or purchase as the case may be.</p>
Management Resources	The Interested Parties and their employees that provide services to the Fund will have, in addition to their responsibilities for the Fund, responsibilities for other companies, projects and clients. Accordingly, they may have conflicts of interests in allocating management time and other resources amongst the Fund and such other projects and clients



Representation	The attorneys, accountants, and other professionals, who perform services for the Fund may, and in some cases do, also perform services for the Interested Parties and their affiliates.
Allocation of Investments	There cannot be any assurance that an investment opportunity that comes to the attention of the Investment Manager will be referred or otherwise made available to the Fund. Investment opportunities identified by the Investment Manager may be suitable for the Fund as well as other funds or investment vehicles managed or advised by the Investment Manager and/or an Interested Party and/or their respective affiliates.
Board conflict	The Designated Partners of the Investment Manager may consist of people who may be employees of the Settlor and its affiliates. They may be on the board of Investee Undertakings where Other Funds may have interests. As part of its investment methodology, the Investment Manager may require Portfolio Companies to grant to the Fund a seat on the boards of

	directors of such Portfolio Companies. The seat will be filled by a nominee of the Investment Manager. As a consequence, such persons will have fiduciary and other duties to the Portfolio Company, which may conflict with the interests of the Fund
Any other conflict	In any other situation where the Investment Manager is of the opinion that there is a conflict of interest, the Investment Manager would require the approval of the Advisory Board before transacting.
<ul style="list-style-type: none"> Conflicts of interest are inherent between the activities of the Settlor, Investment Manager, Trustee and members of the Investment Committee and the operation of the Fund. As noted in the Fund's Private Placement Memorandum, it is intended for such conflicts to be managed primarily by complying with the applicable law, acting in good faith to develop equitable resolutions of known conflicts and developing policies to reduce the possibilities of such conflict. The Advisory Board is to review and advise on conflicts of interest. 	
RECORDING OF CONFLICT	
<ul style="list-style-type: none"> Where the conflict is considered by the Conflicted Party to be material to the transaction or situation being deliberated it should disclose the conflict for the record. In case full details of the conflict cannot be disclosed due to confidentiality reasons, the Conflicted Party should at least mention that they have a conflict. These disclosures will be recorded in the minutes of the meetings. In case there is a deliberate or repeated attempts by a Conflicted Party to conceal conflict, then it is left to the Advisory Board to take appropriate disciplinary action at that stage against the defaulting Conflicted Party. 	
VOTING RIGHTS	



As long as the Conflicted Party records the conflict, it will be allowed to vote on the matter.

This provision is necessary given the inherent conflict that exists between the business of the potential Conflicted Parties and the business of the Fund. By disallowing a Conflicted Party to vote, we could have situations where parties that are critical to the decision are not able to participate in the decision process.

INVESTMENTS IN OTHER FUNDS

- The Investment Manager may also be responsible for Other Funds. It may be possible that Other Funds might compete with the Fund for investments in other Investee Undertakings. In general, the Investment Manager will refer all such investment opportunities, during the Commitment Period, first to the Fund.
- In case the Investment Manager wants to refer an investment opportunity in any other manner, it would first have to get the approval of the Advisory Board of the Fund.
- There also could be an overlap between the disinvestment periods of the Fund and the Other Funds. In general, in the case where the Fund disinvests off a Portfolio Investment in a particular Investee Undertaking where Other Funds may have also invested, such disinvestment will be on a pro rata basis, unless the Investment Manager believes another basis to be fair and reasonable in light of the remaining period of the Fund.
- In case the Investment Manager wants to do a disinvestment in any other manner other than on a pro rata basis, the basis would first have to be approved by the Advisory Board

of the Fund.

GENERAL PRINCIPLES FOR RESOLVING CONFLICTS



- In managing the aforesaid Conflicted Transactions, the Investment Manager will have regard to its obligations under the Investment Management Agreement, Contribution Agreements and other Material Documents pertaining to the Fund and will act in the best interests of the Investors in the Fund
- The Investment Manager will make efforts to see that any transaction involving a potential conflict of interest will be effected on terms that are not less favourable to the Investors in the Fund than if the potential conflict had not existed. The Investment Manager will place significant emphasis on its strong compliance culture, and the efficient operation of systems and controls, to manage issues such as conflicts of interest.
- The Investment Manager will ensure that the interest of all the Investors is paramount and all personal interests, relationships or arrangements, including those of its affiliated companies/entities do not work against the Investors' interest.
- The Investment Manager will take appropriate measures intended to assure that it will not unfairly profit from any transaction between its affiliates/group companies/entities and the Fund and all such transactions shall strictly be done on an arm's length basis. The Investment Manager will use reasonable efforts to apportion or allocate business opportunities among persons or entities to or with which they have fiduciary duties and other relationships on a basis that is as fair and equitable as possible to each of such persons or entities, including the Fund
- The Interested Parties and their management personnel will devote so much of their time to the Fund as is, in their judgment, reasonably require
- The Investor Advisory Board shall determine all conflict of interest situations arising out of investment in Associates and/or with respect to Interested Parties or co-investment by Interested Parties of the Investment Manager

