

ARTICLES OF INCORPORATION
of
INDIA CAPITAL GROWTH FUND LIMITED
NEW ARTICLE 132

132 REDEMPTION OF ORDINARY SHARES

132.1 Definitions

For the purposes of this Article 132 unless the context otherwise requires the following words and expression shall have the following meanings:

- 132.1.1 “**Administrator**” the person appointed as the Company’s administrator from time to time.
- 132.1.2 “**Continuing Pool**” means the pool of cash, assets and liabilities to be created in respect of a particular Redemption Point and allocated to the ordinary shares which are not the subject of Redemption Requests received for that Redemption Point.
- 132.1.3 “**Exit Discount**” means the charge levied on members who are redeeming their Ordinary Shares being a percentage of the realised proceeds of the Redemption Pool being no more than six per cent at any Redemption Point as determined by the Board at its discretion;
- 132.1.4 “**Manager**” means the Company’s investment manager for the time being;
- 132.1.5 “**Receiving Agent**” means the person appointed by the Company to receive Redemption Requests at any Redemption Point.
- 132.1.6 “**Record Date**” means 6 p.m. on the last business day in September in each year in which a Redemption Point occurs;
- 132.1.7 “**Redemption Point**” means 3.00 p.m. on the last business day in December 2021 and every second year thereafter on which date ordinary shares the subject of valid Redemption Requests will be considered for redemption at the discretion of the Board;
- 132.1.8 “**Redemption Pool**” means the pool of cash and assets to be created in respect of a particular Redemption Point and allocated to the ordinary shares which are the subject of Redemption Requests for that Redemption Point as more particularly described in Article 132.1B.2.
- 132.1.9 “**Redemption Price**” means the price for which ordinary shares may be redeemed on a Redemption Point as determined by reference to a Redemption Pool as more particularly described in Article 132.1B.1.

132.1.10 “**Redemption Request**” means:

- (a) with regard to ordinary shares held in certificated form, a written notice in the form from time to time prescribed by the Company and available upon request from the Office or such other person or place as the board may determine from time to time; and
- (b) with regard to ordinary shares held in uncertificated form, means a properly authenticated Transfer to Escrow instruction to effect the transfer of the number of ordinary shares which the holder wishes to redeem from his CREST account to the Receiving Agent’s specified CREST account,

in each case submitted in accordance with the provisions of this Article 132;

132.1.11 “**Redemption Shares**” means in respect of any Redemption Point, the total number of ordinary shares which are the subject of valid Redemption Requests and which the board has exercised its discretion to redeem;

132.1.12 “**Valuation Point**” close of business on the relevant Redemption Point.

132.1A Redemption of Shares

Subject to the provisions of the Law and these Articles the board shall be entitled in its absolute discretion to determine the procedures for the redemption of the ordinary shares (subject to the facilities and requirements of CREST and the Law). Without prejudice to the generality of the foregoing, and in the absence of any such determination as aforesaid, the following provisions shall apply:

132.1A.1 Redemptions may take place at any Redemption Point. The Company shall not be bound to accept any requests to redeem any ordinary shares in respect of any Redemption Point. The acceptance of any Redemption Request shall be at the absolute discretion of the board (who may accept such request in whole or in part) and any redemption of such ordinary shares shall be subject to the requirements of the Law.

132.1A.2 Subject to the remaining provisions of this Article 132.1A, each holder of ordinary shares may request the redemption of all or any of their ordinary shares at any Redemption Point, provided that they held the relevant ordinary shares at the immediately preceding Record Date.

132.1A.3 Holders of ordinary shares in certificated form shall request the redemption of all or any of their ordinary shares on any Redemption Point by the member delivering to the Receiving Agent a duly completed Redemption Request, together with the certificate(s) in respect of the Ordinary Shares which are the subject of the Redemption Request and such other evidence or information as the Directors may request as to the due execution by him of the Redemption Request or, if the Redemption

Request is executed by some other person on his behalf, the authority of such other person.

- 132.1A.4 Holders of ordinary shares in uncertificated form who request the redemption of all or any of their Ordinary Shares shall send a properly authenticated Transfer to Escrow (“TTE”) instruction to effect the transfer of the number of ordinary shares which the holder wishes to redeem from his CREST account to the Receiving Agent’s specified CREST account. The transfer to the Receiving Agent’s CREST account must be effected no later than 3.00 p.m. on the relevant Redemption Point. Following the transfer to the Receiving Agent’s CREST account and pending redemption of all or part of the ordinary shares, such members shall not be entitled to dispose of, encumber, charge or deal in any way whatsoever with the ordinary shares which have been so transferred except in the circumstances described below. .In order for a TTE instruction to be valid, it will need to comply with the requirements set out in Article 132.1A.9.
- 132.1A.5 Redemption Requests shall not be valid (unless the Company otherwise agrees) unless they are received by the Receiving Agent no later than 3.00 p.m. on the relevant Redemption Point and, accompanied by the original share certificate(s) or TTE message as appropriate.
- 132.1A.6 Other than during any period of suspension of trading of the ordinary shares or during any period when the calculation of the Net Asset Value is suspended, a Redemption Request once given cannot be withdrawn otherwise than with the prior consent of the Company (which the board shall be entitled in its absolute discretion to withhold), but shall only be deemed to have effect in relation to the next Redemption Point following its valid delivery and receipt and not in relation to any subsequent Redemption Point.
- 132.1A.7 During any period of suspension of trading of the ordinary shares, or during any period when the calculation of the Net Asset Value is suspended a member may, by notice in writing, withdraw his Redemption Request. If the request is not withdrawn it shall have effect, subject to the board’s discretion, on the Redemption Point immediately following the date on which trading of the ordinary shares or calculation of the Net Asset Value, as appropriate, ceases to be suspended (provided their original Redemption Request complied with the requirements of this Article 132.1A).
- 132.1A.8 The directors reserve the right to treat as valid Redemption Requests which are not entirely in order and which are not accompanied (in the case of ordinary shares held in certificated form) by the relevant share certificate(s) and/ or other document(s) of title or a satisfactory indemnity

in lieu thereof and shall be entitled (in their sole discretion) to accept late Redemption Requests.

132.1A.9 With regard to Redemption Requests in respect of ordinary shares in uncertificated form, the Company in its sole discretion may:

- (a) accept an alternative properly authenticated dematerialised instruction from a CREST member or (where applicable) a CREST sponsor in substitution for or in addition to a TTE instruction and subject to such further terms and conditions as the Company may determine;
- (b) treat a properly authenticated instruction (in this Article 132.1A.9(b), the “first instruction”) as not constituting a valid TTE instruction if, at the time at which the Receiving Agent receives a properly authenticated dematerialised instruction giving details of the first instruction, either the Company or the Receiving Agent have received actual notice from Euroclear of any matters referred to in Regulation 34 of the Uncertificated Securities Regulations in relation to the first instruction. These matters include notice that any information contained in the first instruction was incorrect or notice of lack of authority to send the first instruction; and
- (c) accept an alternative instruction or notification from a CREST member or CREST sponsored member or (where applicable) a CREST sponsor, or extend the time for settlement of a TTE instruction or notification, in the event that, for reasons or due to circumstances outside the control of the CREST member or (where applicable) CREST sponsor, the CREST member or CREST sponsored member is unable to validly request the redemption of his ordinary shares by means of the procedures described above. In normal circumstances, this discretion is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or any part of CREST) or on the part of the facilities and/or systems operated by the Receiving Agent in connection with CREST.

132.1A.10 Redemption Requests shall not be valid (unless the Company otherwise agrees) unless they are received by the Receiving Agent no later than 3.00 p.m. on the relevant Redemption Point and, accompanied by the original share certificate(s) or TTE message.

132.1A.11 The directors will have discretion to permit or decline in whole or any part any Redemption Request. Without limitation to the forgoing, the directors may decline a Redemption Request where they consider that declining the Redemption Request will be in the best interests of members as a whole. The directors’ determination as to whether to permit or decline a

Redemption Request (in whole or in part), together with their reasoning for their decision, will be documented.

132.1B Redemption Price

- 132.1B.1 The Redemption Price applying at any Redemption Point shall be calculated by reference to the amount generated upon the realisation of a Redemption Pool created for the purpose of funding the redemptions after the deduction of the Exit Discount, in accordance with the provisions of this Article 132.1B.
- 132.1B.2 If the board exercises its discretion to redeem ordinary shares at any Redemption Point, it shall procure that the Company's assets and liabilities are notionally divided into two pools:
- (a) the Redemption Pool, which will consist of cash and assets representing the aggregate unaudited Net Asset Value as calculated by the Administrator at the Valuation Point attributable to the Redemption Shares; and
 - (b) the Continuing Pool, which will contain all of the other cash, assets and liabilities of the Company representing the aggregate unaudited Net Asset Value attributable to the remaining ordinary shares (being those ordinary shares which are not Redemption Shares).
- 132.1B.3 The investment portfolios of the Continuing Pool and the Redemption Pool will be reorganised in the period leading up to the date on which the Redemption Price is settled as follows:
- (a) the assets of the Redemption Pool shall be liquidated and the proceeds retained solely as cash in INR and converted into Sterling; and
 - (b) the assets of the Continuing Pool shall be adjusted if and as necessary so that the Continuing Pool complies with the investment objectives of the Company.
- 132.1B.4 The Exit Discount shall be deducted from distributions made out of the realised proceeds of the Redemption Pool and shall be applied in the first instance in payment of the related costs of realisation and (where relevant) brokers' commission. The balance of the Exit Discount shall be transferred to the Continuing Pool.
- 132.1B.5 In respect of any Redemption Point, the Redemption Price per Redemption Share shall be equal to the aggregate cash received by the Company upon the realisation of the Redemption Pool in accordance with Article 132.1B.3 less the Exit Discount divided by the number of Redemption Shares.

- 132.1B.6 Any determination of the Redemption Price made in accordance with the valuation policies from time to time adopted by the board shall be binding on all parties. Neither the board, the Administrator, Auditor nor the Manager shall be responsible to any member or any other person in respect of all or any acts done in carrying out their duties in relation thereto in the absence of fraud, negligence or wilful default.

132.1C Settlement of Redemption Requests

- 132.1C.1 Within 3 business days after the relevant Redemption Point, the Company shall announce the number of Redemption Shares.
- 132.1C.2 Save where the number of Redemption Shares is large and/or where markets are unusually volatile within 20 business days after the relevant Redemption Point, the Company shall announce the Redemption Price per ordinary share and shall dispatch the redemption monies to those members whose ordinary shares have been redeemed. The Redemption Price will be payable in Sterling. In circumstances where the number of Redemption Shares is large and/or where markets are unusually volatile (as determined by the board at its discretion), within 20 business days after the relevant Redemption Point the Company will announce the expected timing for the realisation of the Redemption Pool and payment of the Redemption Price. In such circumstances, payment of the Redemption Price may be made in instalments.
- 132.1C.3 The Company shall not be liable for any loss or damage suffered or incurred by any member or other person as a result of or arising out of late settlement, howsoever such loss or damage may arise.
- 132.1C.4 Payment of the Redemption Price in respect of Redemption Shares in certificated form will be made by cheque made payable to the relevant member, or in the case of joint holders, to such relevant joint holders or to such person or persons as the relevant member or all the relevant joint holders may direct in writing and shall be sent (at the risk of the relevant member) to the address of the holder as entered in the register of members in respect of such shares. Every such cheque will be sent through the post shall be sent by first class post to a UK address.
- 132.1C.5 Payment of the Redemption Price in respect of Redemption Shares held in uncertificated form will take place through CREST by electronic transmission.
- 132.1C.6 Despatch of payment of the cheques in accordance with Article 132.1C.4 or payment through CREST in accordance with Article 132.1C.5 shall be in satisfaction of the Redemption Price represented thereby.

- 132.1C.7 The Company shall procure that in relation to any partial redemption by a member of their ordinary shares held in certificated form, a balance certificate in respect of such member's number of unredeemed shares shall be sent (at the risk of such member) to the address of that member as entered in the register within 10 business days after settlement of the Redemption Price.
- 132.1C.8 The Company shall procure that in relation to any ordinary shares held in uncertificated form in the Receiving Agent's CREST account, which have not been redeemed on a Redemption Point, the Transfer Agent will, as soon as reasonably practicable after the relevant Redemption Point, send instructions to CREST to transfer the relevant number of those ordinary shares to the original CREST account of the member(s) concerned.
- 132.1C.9 All documents, instructions and remittances sent by, to or from a member or their appointed agents will be sent at their own risk.

132.1D Effect of Substantial Redemption Requests

The Board will review the number of ordinary shares for which valid Redemption Requests are received for the purposes of considering the viability of the Company after implementation of the redemption. Should the number of Redemption Requests be so substantial as, in the Directors' opinion, to impair the future viability of the Company to a material degree, the Directors, in their discretion, may cancel the redemption and instead bring forward proposals to enable all members to realise their investment.

132.1E Matched Redemption Requests

- 132.1E.1 The Company, through its brokers, may, prior to a Redemption Point, in its sole discretion, invite investors to purchase, at the Redemption Price, ordinary shares which are the subject of Redemption Requests. In circumstances where there are investors willing to acquire ordinary shares which are the subject of Redemption Requests at a Redemption Point at the Redemption Price, all or some of the ordinary shares which are the subject of Redemption Requests may not be redeemed by the Company but instead may be transferred to the incoming investor(s) with effect from the relevant Redemption Point.
- 132.1E.2 A member who submits a Redemption Request is deemed to have authorised the Company to sell through its brokers all or any of their ordinary shares that are the subject of the Redemption Requests as at a Redemption Point to an incoming investor for the Redemption Price.
- 132.1E.3 If there is demand from incoming investors to acquire some of the ordinary shares that are the subject of Redemption Requests as at a Redemption Point at the Redemption Price, the Company may select holdings of ordinary shares that are the subject of Redemption Requests from

members as at the Redemption Point to satisfy incoming investor demand. Selection of such holdings of ordinary shares may be by random ballot, first come/ first served basis, *pro rata* or such other equitable means as the Directors determine. Members who are selected shall have all of their ordinary shares that are the subject of the Redemption Requests sold to incoming investors, except for the final member that is selected who will have such proportion of his or her ordinary shares sold to incoming investors to satisfy the remaining demand. The remainder of the ordinary shares that are the subject of the Redemption Requests may be redeemed by the Company at the Redemption Price.