

JAIPUR ASSET
MANAGEMENT



SPECIALISTS IN INDIAN INVESTMENT

JAIPUR INDIA GROWTH FUND

ABN 47 315 963 853

FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2019

JAIPUR INDIA GROWTH FUND
TRUSTEE REPORT
FOR THE YEAR ENDED 30 JUNE 2019

The Directors of the Trustee, Vasco Fund Services Pty Limited present their report on the Jaipur India Growth Fund ('the Fund') for the year ended 30 June 2019.

1. Directors

The names of Directors of the Trustee in office at any time during the financial year were:

Craig Mathew Dunstan (appointed 2 February 2016)

Fiona Jean Dunstan (appointed 2 February 2016)

The Directors have been in office since the establishment of the Fund to the date of this report unless otherwise stated.

2. Principal Activities

The principal activities of the Fund are to provide investment exposure to Indian equity funds.

The Fund is a sub-fund of the Jaipur AM Master Fund.

The Jaipur India Growth Fund was established on 1 March 2016.

3. Operating Results

The operating profit/ (loss) of the Fund for the financial year ending 30 June 2019 was (\$140) (2018: \$605).

4. Review of Operations

During the period since inception the Fund has issued 3,373,276 units.

During the financial year 25,079 units have been issued.

As at 30 June 2019 the Fund's investments were comprised of the following:

| Investment | Units Issued | Value (USD) | Value (AUD) |
|--|---------------------|--------------------|--------------------|
| UTI India Dynamic Equity Fund (UTI) | 91,102 | 1,258,975 | 1,789,080 |
| SBI Resurgent India Opportunities Fund (SBI) | 728,273 | 1,347,305 | 1,914,601 |
| India Premium Fund (IPF) | 9,172 | 1,164,048 | 1,654,182 |
| Total | 828,547 | 3,770,328 | 5,357,863 |

The currency conversion rate of \$0.7037 has been taken from ANZ FX Online: <https://markets.online.anz.com>.

The total value of the investments as at the end of the period was AU\$5,357,863 (2018: AU\$4,626,882).

The directors of the Trustee resolved to change the name of Vasco Funds Management Pty Limited to Vasco Fund Services Pty Limited to better reflect the activities of the company as well as to keep in line with industry conventions. The ACN and other details remain unchanged.

JAIPUR INDIA GROWTH FUND
TRUSTEE REPORT
FOR THE YEAR ENDED 30 JUNE 2019

4. Review of Operations (continued)

Income distributed by the three underlying funds will be as follows:

- UTI: The Prospectus states dividends will be declared on the last business day in January and July each year or on such other date as may be determined by the Directors or such other frequency as the Directors consider appropriate. No dividend has been declared since inception.
- SBI: The Fund does not intend to make any dividend distributions except in certain exceptional circumstances as the Board may, in its discretion, decide otherwise.
- IPF: It is not envisaged that any income or gains will be distributed by the Fund by way of dividend.

The Fund was issued the APIR code of VIL7707AU on 17 November 2016.

5. Review of Performance

| Unit Class | 2019 | 2018 | 2017 |
|----------------|--------|--------|--------|
| | % p.a. | % p.a. | % p.a. |
| Ordinary units | 15.17 | 13.92 | 23.10 |

6. Unit Redemption Prices

Unit redemption prices (quoted ex-distribution and exclusive of exit fees) are shown as follows:

| | 2019 | 2018 |
|------------------|--------|--------|
| | \$ | \$ |
| At 30 June | 1.5893 | 1.3800 |
| High during year | 1.5987 | 1.4429 |
| Low during year | 1.2823 | 1.2551 |

The availability and timing of redemptions is subject to the terms of the Fund's Constitution. Further fees may apply upon redemption.

7. Distributions Paid or Recommended

In accordance with the Constitution of the Fund, distributions are payable on an annual basis as at 30 June each year and paid within 60 business days.

Distributions from the Fund are not guaranteed and neither is the return of investors' capital.

No distributions were paid or recommended during the period.

JAIPUR INDIA GROWTH FUND
TRUSTEE REPORT
FOR THE YEAR ENDED 30 JUNE 2019

8. Applications Held

As at 30 June 2019, there were no pending applications.

9. Redemption Arrangements

As detailed in the Fund's Constitution the Trustee is not under any obligation to buy back, purchase or redeem units from unitholders. Consequently, no units were redeemed by the Trustee during the reporting period.

Redemptions are subject to available liquidity. The proceeds of redemption requests will generally be available within 30 Business Days.

10. Options

No options over issued units or interests in the Fund were granted during or since the end of the financial year and there were no options outstanding at the date of this report. The Directors and executives of the Trustee hold no options over interests in the Fund.

11. Proceedings on Behalf of the Fund

No person has applied to the court for leave to bring proceedings on behalf of the Fund, or to intervene in any proceedings to which the Fund is a party, for the purpose of taking responsibility on behalf of the Fund for all or any part of their proceedings.

12. Value of Scheme Assets

The Gross Asset Value of the Fund's assets at the end of the reporting period was \$5,363,644 (2018: \$4,630,842). The Net Asset Value at the end of the reporting period was \$5,361,138 (2018: \$4,620,636).

13. Significant Changes in State of Affairs

Apart from those matters referred to in the previous sections of this Report, there have been no other significant changes to the state of affairs of the Fund during the financial year.

14. After Balance Date Events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Fund, the results of those operations, or the state of affairs of the Fund in future financial years other than as disclosed in this report.

15. Future Developments

There are no future developments to report on which are not otherwise disclosed in this report.

JAIPUR INDIA GROWTH FUND

TRUSTEE REPORT FOR THE YEAR ENDED 30 JUNE 2019

16. Indemnifying Officers or Auditor

During or since the end of the financial year, the Trustee has paid insurance premiums to insure each of the aforementioned Directors as well as officers of the Trustee against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of the Trustee, other than conduct involving a willful breach of duty in relation to the Trustee.

The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Trustee has not otherwise, during or since the end of the financial year indemnified or agreed to indemnify an officer or auditor of the Trustee or of any related body corporate against a liability incurred as such an officer or auditor.

17. Fees, Commissions or Other Charges by the Trustee, Investment Manager or Related Parties

No fees were charged to the Fund. Trustee and administration manager fees were paid by the Investment Manager of the Jaipur India Growth Fund.

18. Units held by the Trustee, Investment Manager or Related Parties

As at 30 June 2019, Vasco Investment Managers Limited in its capacity as trustee of Jaipur AM Master Fund held 3,373,276 units in the Fund. Vasco Investment Managers Limited is the sole investor in the Fund.

Vasco Investment Managers Limited is a related party to the Trustee of the Fund.

19. Interests Issued in the Fund

| | 2019 | 2018 |
|-----------------------------|--------------------------------|--------------------------------|
| Opening Unit Balance | 3,348,197 | 2,571,880 |
| Units issued - applications | <u>25,079</u> | <u>776,317</u> |
| Closing Unit Balance | <u><u>3,373,276</u></u> | <u><u>3,348,197</u></u> |

20. Number of Interests on Issue

As at 30 June 2019, the number of units on issue in the Fund was 3,373,276 (2018: 3,348,197).

21. Rounding of Amounts

The Fund is of a kind referred to in the *Australian Securities and Investments Commission's Corporations (Rounding in Financial / Directors' Reports) Instrument 2016/191*. Consequently, amounts in the financial statements have been rounded to the nearest dollar in accordance with that legislative instrument, or in certain cases, the nearest thousand dollars.

22. Environmental Issues

The operations of the Fund are not subject to any particular or significant environmental regulations under a law of the Commonwealth or of a State or Territory in Australia.

JAIPUR INDIA GROWTH FUND
TRUSTEE REPORT
FOR THE YEAR ENDED 30 JUNE 2019

Signed in accordance with a resolution of the Board of Directors of Vasco Fund Services Pty Limited
by:

Craig Mathew Dunstan

Director

Date: 5 August 2019

JAIPUR INDIA GROWTH FUND

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2019**

| | Notes | 2019 \$ | 2018 \$ |
|---|-------|----------------|----------------|
| Revenue and other income | | | |
| Bank interest | 2 | 4 | 407 |
| Total revenue and other income | | 4 | 407 |
| Expenses | | | |
| Other expenses | 5 | 144 | 132 |
| Expense reimbursement | 6 | - | (330) |
| Total expenses | | 144 | (198) |
| Net profit attributed to unitholders | | (140) | 605 |
| Other comprehensive income | | | |
| Fair value profit or (loss) on investments | 7 | 701,120 | 461,716 |
| Total other comprehensive income | | 701,120 | 461,716 |
| Total comprehensive income for the year attributable to unitholders net of distributions | | 700,980 | 462,321 |

The accompanying notes form part of these financial statements

JAIPUR INDIA GROWTH FUND

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019**

| | Notes | 2019 \$ | 2018 \$ |
|---|--------|------------------|------------------|
| Current assets | | | |
| Cash and cash equivalents | 8 | 5,781 | 3,960 |
| Total current assets | | 5,781 | 3,960 |
| Non-current assets | | | |
| Investment assets | 9 | 5,357,863 | 4,626,882 |
| Total non-current assets | | 5,357,863 | 4,626,882 |
| Total assets | | 5,363,644 | 4,630,842 |
| Liabilities | | | |
| Fund rebate payable | 10 | - | 7,680 |
| Sundry creditor | 11 | 2,506 | 2,526 |
| Total liabilities | | 2,506 | 10,206 |
| Net assets | | 5,361,138 | 4,620,636 |
| Represented by: | | | |
| Issued units | 12 (a) | 3,707,144 | 3,667,622 |
| Undistributed profit/(loss) attributable to unitholders | 12 (b) | 1,653,994 | 953,014 |
| Net assets attributable to unitholders | | 5,361,138 | 4,620,636 |

The accompanying notes form part of these financial statements

JAIPUR INDIA GROWTH FUND

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019**

Under Australian Accounting Standards, net assets attributable to unitholders are classified as a liability rather than equity. As a result there was no equity at the start or the end of the financial year.

JAIPUR INDIA GROWTH FUND

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2019

| | Notes | 2019 \$ | 2018 \$ |
|---|-------|-----------------|--------------------|
| Cash flows from operating activities | | | |
| Bank interest | | 4 | 407 |
| Administration expenses | | (144) | (132) |
| Expense reimbursement | | - | 330 |
| Loss on foreign exchange | | (21) | 2,526 |
| Management fee rebate | | (17,540) | 4,915 |
| Net cash provided by/ (used in) operating activities | | (17,701) | 8,046 |
| Cash flows from investing activities | | | |
| Payment for investment assets | | (20,000) | (1,054,845) |
| Net cash provided by/ (used in) investing activities | | (20,000) | (1,054,845) |
| Cash flows from financing activities | | | |
| Proceeds from issue of units | | 39,522 | 1,042,622 |
| Net cash provided by/ (used in) financing activities | | 39,522 | 1,042,622 |
| Net increase/ (decrease) in cash and cash equivalents | | 1,821 | (4,177) |
| Cash and cash equivalents at the beginning of year | | 3,960 | 8,137 |
| Cash and cash equivalents at the end of year | 7 | 5,781 | 3,960 |

The accompanying notes form part of these financial statements

JAIPUR INDIA GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The financial report is for the Jaipur India Growth Fund ('the Fund'). The Fund is an unregistered managed investment scheme established and domiciled in Australia. The Trustee of the Fund is Vasco Fund Services Pty Limited and Jaipur Asset Management Pty Ltd is appointed as the Investment Manager of the Fund.

Basis of Preparation

(a) Statement of compliance

The Fund has elected to adopt the Australian Accounting Standards – Reduced Disclosure Requirements (established by AASB 1053 *Application of Tiers of Australian Accounting Standards* and AASB 2010-2 *Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements*).

These financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Act 2001*. Jaipur India Growth Fund is a for-profit entity for the purpose of preparing the financial statements.

The financial statements were approved by the Board of Directors of the Trustee on 5 August 2019.

(b) Basis of measurement

The financial report is prepared on the historical cost basis except for the following material items in the statement of financial position:

Investment assets are measured at fair value.

(c) Functional and presentation currency

These financial statements are presented in Australian dollars, which is the Fund's functional currency.

(d) Use of estimates and judgements

The preparation of financial statements requires the Directors of the Trustee to undertake a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

JAIPUR INDIA GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting policies

(a) Financial instruments

Financial assets and financial liabilities are recognised on the Fund's Statement of Financial Position when the Fund becomes a party to the contractual provisions of the instrument.

(i) Measurement

Financial assets and financial liabilities are held at fair value through profit or loss.

Under this approach, financial assets and financial liabilities are generally measured initially at fair value excluding any transaction costs that are directly attributable to acquisition.

Subsequent to initial recognition, all financial instruments are measured at fair value with changes in their fair value recognized in the statement of comprehensive income.

Fair value in an active market

The fair value of financial assets and liabilities traded in active markets are based on their quoted market prices at the reporting date without any deduction for estimated future selling costs. Financial assets are priced at current bid prices on the reporting date, while financial liabilities are priced at current offer prices.

Fair value in an inactive or unquoted market

The fair values of financial assets and liabilities that are not traded in an active market are determined through the valuation policy identified in the Information Memorandum for the Fund.

(ii) Categorisation

The Fund's investments are categorised as follows:

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Financial liabilities and equity

Financial liabilities and equity instruments issued by the Fund are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. The accounting policies adopted for specific financial liabilities and equity instruments are set out below:

Issued units

The Fund issues units which have a limited life under the Fund's Constitution and are classified as equity in accordance with *AASB 132 Financial Instruments: Presentation* as amended by *AASB 2008-2 Amendments to Australian Accounting Standards – Puttable Financial Instruments and Obligations Arising on Liquidation*.

Should the terms or conditions of the units change such that they no longer comply with the criteria for classification as equity in the revised *AASB 132*, the units would be reclassified to a financial liability from the date the instrument ceases to meet the criteria. The financial liability would be measured at the instrument's fair value at the date of reclassification. Any difference between the carrying amount of the equity instrument and the fair value of the liability at the date of reclassification would be recognised in equity.

Where the Fund buys back any of its units from unitholders, the consideration paid, including any directly attributable incremental costs are recognised as a reduction in equity attributable to the Fund's unitholders.

JAIPUR INDIA GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the statement of financial position are shown inclusive of GST, and accruals are shown exclusive of GST.

(c) Income tax

Under current legislation, the Fund is not liable for income tax provided its taxable income is fully distributed to unitholders.

(d) Critical judgements and significant accounting estimates

The preparation of financial statements requires the Directors of the Trustee to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

(e) Comparatives

As the Jaipur India Growth Fund commenced operations in March 2016, there are comparative numbers for the year ending 30 June 2018.

(f) Foreign Exchange

Items included in the financial records are measured using the currency of the primary economic environment in which the entity operates (functional currency). The financial statements are presented in Australian dollars, which is the presentation currency of the Fund.

The financial position and performance of foreign operations with a functional currency other than Australian dollars are translated into the presentation currency, using the exchange rate prevailing at the dates of the report from ANZ Bank (Source: ANZ FX Online: <https://markets.online.anz.com>) (US\$1 equals AU\$0.7037). The assets, liabilities and equity items are translated using reporting date exchange rates.

(g) New accounting standards and interpretations

A number of new accounting standards and interpretation have been published, and are mandatory for the 30 June 2019 reporting period, having come into effect on the 1 January 2018:

(i) *AASB9 Financial Instruments*

Broadly, this standard requires all financial instruments to be measured at fair value unless the criteria for amortised cost are met.

The introduction of the standard has not changed the measurement basis of any of the Fund's current financial instruments.

(ii) *AASB 15: Revenue from contracts with customers*

Broadly, this standard relates to the recognition of revenue from contracts for goods and services, including construction contracts.

While this standard does not relate to a significant portion of the Fund's holdings, to the extent that it does apply, it is not expected to change the measurement basis of any of the Fund's current financial instruments, or the valuation of the Fund's assets.

There are no pending standards that are relevant to the Fund in the current or future reporting periods as at the issue date of this report.

JAIPUR INDIA GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 2: REVENUE

The Funds revenue may be analysed under the following categories

Bank interest

| | 2019 | 2018 |
|---------------|----------|------------|
| | \$ | \$ |
| Bank interest | 4 | 407 |
| | <u>4</u> | <u>407</u> |

Cash on deposit is held in a Macquarie Bank cash management account (AUD). The interest rate paid by Macquarie to 6 June 2019 was 1.30% p.a paid monthly on balances greater than \$5,000. From 7 June 2019 the interest rate has been 1.05%. The Fund has been able to obtain a higher return from Macquarie, amounting to an extra 0.25% pa. ANZ does not pay interest on the cash accounts.

NOTE 3: INVESTMENT MANAGER FEES

In accordance with the Information Memorandum of the Fund, no investment management fees are payable at the sub-fund level.

NOTE 4: TRUSTEE AND ADMINISTRATION FEES

In accordance with the Constitution of the Fund, Vasco Fund Services Pty Limited as the Trustee is entitled to receive a fee of \$10,000 (plus GST) per annum. This fee is payable by the Investment Manager.

In accordance with the Constitution of the Fund, the Trustee is entitled to an administration fee of between \$15,000 - \$25,000 (plus GST) per annum based on the number of unit holders and Gross Assets Value (GAV) of the Fund and is subject to an annual increase in line with the consumer price index each year. In accordance with the Constitution, the fee is payable in arrears in 12 equal instalments within 5 business days of the last day of each calendar month. This fee is payable by the Investment Manager.

NOTE 5: OTHER EXPENSES

| | 2019 | 2018 |
|--------------|------------|------------|
| | \$ | \$ |
| Bank charges | 144 | 132 |
| | <u>144</u> | <u>132</u> |

JAIPUR INDIA GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 6: EXPENSE REIMBURSEMENT

| | 2019 | 2018 |
|-----------------------|------|------|
| | \$ | \$ |
| Expense reimbursement | - | 330 |
| | - | 330 |
| | - | 330 |

The above amount was for a APIR code fee incorrectly charged to Jaipur India Growth Fund instead of Jaipur AM Master Fund in 2018 financial year. Jaipur AM Master Fund reimbursed this amount to the Fund in October 2017.

NOTE 7: OTHER COMPREHENSIVE INCOME

As at 30 June 2019 the Fund's other comprehensive income comprised of:

| Items that may be reclassified subsequently to profit or loss | 2019 | 2018 |
|---|---------|---------|
| | \$ | \$ |
| Revaluation in UTI | 130,615 | 243,716 |
| Revaluation in SBI | 370,317 | 187,711 |
| Revaluation in IPF | 200,188 | 30,289 |
| | 701,120 | 461,716 |
| | 701,120 | 461,716 |

NOTE 8: CASH AND CASH EQUIVALENTS

| | 2019 | 2018 |
|----------------------|-------|-------|
| | \$ | \$ |
| Macquarie Bank - AUD | 2,723 | 737 |
| ANZ Bank - AUD | 3,058 | 697 |
| ANZ Bank - USD | - | 2,526 |
| | 5,781 | 3,960 |
| | 5,781 | 3,960 |

NOTE 9: INVESTMENTS

Available for sale investments

| | 2019 | 2018 |
|---|-----------|-----------|
| | \$ | \$ |
| UTI India Dynamic Equity Fund USD Institution (UTI) | 1,789,080 | 1,648,604 |
| SBI Resurgent India Opportunities Fund (SBI) | 1,914,601 | 1,544,284 |
| India Premium Fund (IPF) | 1,654,182 | 1,433,994 |
| | 5,357,863 | 4,626,882 |
| | 5,357,863 | 4,626,882 |

JAIPUR INDIA GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 10: FUND REBATE PAYABLE

| | 2019 | 2018 |
|---------------------|------|-------|
| | \$ | \$ |
| Fund rebate payable | - | 7,680 |
| | - | 7,680 |
| | - | 7,680 |

Based on the agreement between the Investment Manager of Jaipur India Growth Fund and UTI, the commission rebate payable to Jaipur Asset Management Pty Ltd is to take the form of additional units issued from UTI to the Fund. The Fund has a liability to pay the commission rebate to the Investment Manager of Jaipur India Growth Fund.

NOTE 11: SUNDRY CREDITOR

| | 2019 | 2018 |
|-----------------------|-------|-------|
| | \$ | \$ |
| Sundry creditor (AUD) | 2,506 | 2,526 |
| | 2,506 | 2,526 |
| | 2,506 | 2,526 |

Sundry creditor was compensation paid by ANZ Bank, to be included in the next investment application.

NOTE 12: NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

(a) Issued units in \$

| | 2019 | 2018 |
|-----------------------------|------------------|------------------|
| | \$ | \$ |
| Opening balance | 3,667,622 | 2,625,000 |
| Units issued – applications | 39,522 | 1,042,622 |
| Closing balance | 3,707,144 | 3,667,622 |
| | 3,707,144 | 3,667,622 |

As stipulated in the Fund's Constitution, each unit represents a right to an individual unit in the Fund and does not extend to a right to the underlying assets of the Fund.

(b) Undistributed profit/(loss) attributable to unitholders

| | 2019 | 2018 |
|--|------------------|----------------|
| | \$ | \$ |
| Opening balance | 953,014 | 490,693 |
| Net operating profit/ (loss) attributable to unitholders | (140) | 605 |
| Fair value profit/(loss) on investment | 701,120 | 461,716 |
| Closing balance | 1,653,994 | 953,014 |
| | 1,653,994 | 953,014 |

Withholding taxes applicable to the distributions payable during the 2019 financial year were nil. Total distributions payable for the financial year were nil.

JAIPUR INDIA GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 12: NET ASSETS ATTRIBUTABLE TO UNITHOLDERS (continued)

(c) Capital management

The Fund regards total equity as capital. The objective of the Fund is to provide unitholders with capital growth. The Fund offers an opportunity for Australian investors to invest in a fund whose profits are derived from underlying investments based in India.

The Fund aims to invest to meet the Fund's investment objectives while maintaining sufficient liquidity to meet its commitments, including unitholder redemptions. The Investment Manager regularly reviews the performance of the Fund, including asset allocation strategies, investment and risk management.

NOTE 13: RELATED PARTY TRANSACTIONS

The Fund's related parties include those described below.

Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

(a) Trustee

The Trustee of the Jaipur India Growth Fund is Vasco Fund Services Pty Limited. Trustee fees are payable by the Investment Manager of Jaipur India Growth Fund.

The directors of the Trustee have resolved to change the name of Vasco Funds Management Pty Limited to Vasco Fund Services Pty Limited to better reflect the activities of the company as well as to keep in line with industry conventions. The ACN and other details remain unchanged.

(b) Investment Manager

The Investment Manager of the Jaipur India Growth Fund is Jaipur Asset Management Pty Ltd. No investment management fees are payable at the sub-fund level. The Investment Manager is entitled to retain the Fund Rebate as detailed in Note 10.

(c) Administration Manager

The Administration Manager of the Jaipur India Growth Fund is Vasco Fund Services Pty Limited. Administration fees are payable by the Investment Manager of Jaipur India Growth Fund.

The directors of the Administration Manager have resolved to change the name of Vasco Funds Management Pty Limited to Vasco Fund Services Pty Limited to better reflect the activities of the company as well as to keep in line with industry conventions. The ACN and other details remain unchanged.

(d) Key management personnel

The Fund does not employ personnel in its own right. However, it has an incorporated Trustee, Vasco Fund Services Pty Limited and an Investment Manager, Jaipur Asset Management Pty Ltd, to manage the activities of the Fund. The Directors of the Trustee are key management personnel of those respective entities. No compensation is paid directly by the Fund to Directors or to any of the key management personnel of the Trustee. Payments made by the Fund to the Trustee do not specifically include any amounts attributable to the compensation of key management personnel.

JAIPUR INDIA GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 14: CONTINGENT LIABILITIES

There are no contingent liabilities at the end of the period.

NOTE 15: EVENTS SUBSEQUENT TO REPORTING DATE

As at the date of this report, there have been no events subsequent to the reporting date that require additional disclosure.

NOTE 16: FINANCIAL RISK MANAGEMENT

(a) Liquidity Risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Fund holds investments in equity funds which are not considered to be assets that are readily realisable.

In order to address this risk, the Trustee retains broad discretion to restrict distributions, withdrawals and/or redemptions.

(b) Foreign Exchange Risk

The Fund is exposed to foreign exchange risk as a result of investments in financial instruments denominated in foreign currencies. As a result, fluctuations in the value of the Australian dollar and foreign currencies can affect the Fund's returns. This is because losses or gains must be converted back to Australian dollars. Foreign exchange risk remains unhedged.

(c) Securities Market Risk

Changes in securities prices across the relevant securities markets in which the Fund invests may adversely affect the performance of its units. Factors that drive changes in securities prices include changing profitability of companies and industries, economic cycles, volume of share issuance, investor demand levels, business confidence and government and central bank policies including the level and direction of interest rates and natural disasters and man-made disasters beyond the control of the Investment Manager and the Trustee.

NOTE 17: TRUSTEE DETAILS

The registered office and the principal place of business of the Trustee are:

Vasco Fund Services Pty Limited

Level 5

488 Bourke Street

Melbourne Victoria 3000

JAIPUR INDIA GROWTH FUND

DIRECTORS' DECLARATION

In the opinion of the Directors of Vasco Fund Services Pty Limited:

- (a) The financial statements and notes of Jaipur India Growth Fund are in accordance with the *Corporations Act 2001*, including
 - (i) Giving a true and fair view of its financial position as at 30 June 2019 and its performance for this financial year ended on that date; and
 - (ii) Complying with Australian Standards – Reduced Disclosure Requirements (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and
- (b) There are reasonable grounds to believe that Jaipur India Growth Fund will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors.

Craig Mathew Dunstan

Director

5 August 2019