



SECURITIES AND EXCHANGE BOARD
OF INDIA (ALTERNATIVE INVESTMENT
FUNDS) (AMENDMENT) REGULATIONS,
2021

AIF - Manager & Investment Committee

Circular: SEBI/LAD-NRO/GN/2021/01
<http://egazette.nic.in/WriteReadData/2021/224287.pdf>
Effective Date: January 08, 2021

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KEY TAKEAWAYS

I. Revision in clause (iv) of the proviso to sub-regulation 6 of regulation 20

- Non-applicability of clauses (i) and (ii) of the proviso to sub-regulation 6 of regulation 20 subject to certain conditions.



THE CLAUSES

Clause (i)

Members of Investment Committee equally responsible as the Manager for investment decisions of the AIF.

Clause (ii)

The Manager & members of the Investment Committee to jointly & severally ensure that investments of the AIF are in compliance with:

- SEBI (AIF) Regulations, 2012
- Terms of Placement Memorandum
- Investor Agreement
- Any other fund document
- Any other applicable law



REVISION

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Clause (iv) of the proviso to sub-regulation 6 of regulation 20

(iv) Any other conditions as specified by the Board from time to time:

“Provided further that clauses (i) and (ii) shall not apply to an Alternative Investment Fund in which each investor other than the Manager, Sponsor, employees or directors of the Alternative Investment Fund or employees or directors of the Manager, has committed to invest not less than seventy crore rupees (or an equivalent amount in currency other than Indian rupee) and has furnished a waiver to the Alternative Investment Fund in respect of compliance with the said clauses, in the manner specified by the Board.”



CONDITIONS

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The members of the Investment Committee shall not be responsible for Investment Decisions and the Manager jointly with afore mentioned not required to ensure compliance of investments provided each Investor has:

- Committed to invest more than or equal to INR 70 Crore or an equivalent amount in other currencies.
- Furnished a Waiver to the AIF in respect of compliance with the said clauses, in the manner specified by the Board.

Investors exclude:

- AIF Manager
- AIF Employees
- Employees or Directors of the Manager
- AIF Sponsor
- AIF Directors

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WAIVER

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Waiver to be furnished by the Investor shall be as per Annexure I of Circular dated January 8, 2020 (SEBI/HO/IMD/DF6/CIR/P/2021/004)

Link for Circular: https://www.sebi.gov.in/legal/circulars/jan-2021/circular-on-amendment-to-regulation-20-6-of-sebi-aif-regulations-2012_48710.html

Link for Annexure I: https://www.sebi.gov.in/sebi_data/commondocs/jan-2021/Format%20of%20waiver%20to%20be%20provided%20by%20the%20investors_p.pdf



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