

**PART 2A OF FORM ADV: FIRM BROCHURE**



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**March 30, 2016**

**This Brochure provides information about the qualifications and business practices of WestBridge Capital US Advisors, LLC (“WestBridge Capital US”) and WestBridge Capital Partners, LLC (“WestBridge Capital Partners”). If you have any questions about the contents of this brochure, please contact Kshitij (“KS”) Shah at (650) 645-6220 or [KS.shah@westbridgecap.com](mailto:KS.shah@westbridgecap.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.**

**Additional information about WestBridge Capital US and WestBridge Capital Partners also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **ITEM 2 – MATERIAL CHANGES**

This Brochure contains the following material changes since WestBridge Capital US' and WestBridge Capital Partners' last annual update on March 31, 2015.

- WestBridge Capital US has appointed KS Shah as the Chief Compliance Officer in place of Peter Wendell.

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## **ITEM 4 – ADVISORY BUSINESS**

### **A. Introduction**

Founded in April of 2011, WestBridge Capital US Advisors, LLC (“WestBridge Capital US”) is a Delaware limited liability company. WestBridge Capital US provides non-binding, non-discretionary investment advisory services to WestBridge Capital Partners, LLC (“WestBridge Capital Partners”), a Mauritius limited liability company, which manages private investment funds (the “Funds” or “Advisory Clients”). WestBridge Capital US focuses primarily on providing investment advice regarding Investment in India and South Asian companies. WestBridge Capital Partners is a “Relying Adviser” as that term is described in the SEC Staff No-Action Letter dated January 18, 2012, to the American Bar Association, Business Law Section.

WestBridge Capital US is owned by Sumir Chadha (the “Principal”).

WestBridge Capital US provides non-binding, non-discretionary investment advisory services to WestBridge Capital Partners, which manages the following Funds: (i) WestBridge Crossover Fund, LLC (the “Crossover Fund”); (ii) WestBridge Ventures I, LLC (the “Ventures I Fund”); (iii) WestBridge Ventures Co-Investment I, LLC (“Ventures I Co-Investment”); and (iv) WestBridge Ventures II, LLC (the “Ventures II Fund” and together with Ventures I Fund and Ventures I Co-Investment being the “Venture Funds”). The Funds are each Mauritius limited liability companies with limited life. In addition, WestBridge Capital Partners provides non-binding, non-discretionary investment management services to one or more special purpose vehicles (“SPVs”).

Affiliates of WestBridge Capital US and/or WestBridge Capital Partners have made investments in the Funds. Such affiliates may retain special advisory and investment rights based on their status as investors in the Venture Funds (referred to hereafter as “Affiliated Investors”). The rights of WestBridge Capital US, WestBridge Capital Partners and their affiliates are detailed in the private placement memorandum and Shareholders’ Agreement of the respective Fund.

WestBridge Capital Partners is charged with the administration and facilitation of investments for the Funds, and acting as the Fund’s “manager” with respect to investment-related and other functions. WestBridge Capital Partners is partially owned by the Principal and WestBridge Capital Partners’ board of directors includes the Principal and other independent directors. WestBridge Capital Partners’ duties with regard to a Fund include: (i) entering into advisory agreements with one or more advisors (including WestBridge Capital US); (ii) making buy or sell recommendations to the Fund’s board of directors, including after taking into consideration non-discretionary investment advice received from WestBridge Capital US and WestBridge Capital India Advisors Private Limited (the “Indian Advisor”); (iii) monitoring the performance and status of Fund investments; (iv) investment related functions; (v) facilitating the provision of reports and other communications to Fund investors; (vi) maintaining the Fund’s books and records; and (vii) furnishing the Fund with office supplies, equipment and clerical services.

The Indian Advisor is a company incorporated under the laws of India, and also provides non-binding and non-discretionary investment advisory services to WestBridge Capital Partners. The Indian Advisor is an Exempt Reporting Adviser and is not a “Relying Adviser” of WestBridge Capital US.

Investors in the Funds (“Investors”) have been, and future Investors will be, notified of the roles of WestBridge Capital Partners, WestBridge Capital US and the Indian Advisor in the private placement memorandum of the relevant Fund.

## **B. Investment Services**

WestBridge Capital US generally has broad and flexible authority to make investment recommendations to WestBridge Capital Partners with respect to the Advisory Clients. Each Fund’s investment objectives and strategy are set forth in the applicable Fund’s private placement memorandum.

As described in further detail in Item 8.A below, WestBridge Capital US provides non-binding and non-discretionary investment advice to WestBridge Capital Partners. WestBridge Capital Partners provides non-discretionary investment advice to the Venture Funds and the Crossover Fund, after taking into consideration such advice and advice from the Indian Advisor. The Crossover Fund typically invests in high growth public companies with limited liquidity and private companies in India, or companies which have a significant nexus or business linkages with India and South Asia. The Venture Funds typically invest in equity and equity-related investments primarily in Indian and non-Indian companies, which have business linkages to India, in the technology and technology-enabling sector.

As noted above, WestBridge Capital Partners provides non-binding and non-discretionary investment management services to one or more SPVs. In each case, an affiliate of WestBridge Capital US, the Indian Advisor or WestBridge Capital Partners is a non-controlling limited partner or member of the SPV. Generally, unlike the Funds, a SPV is established for the specific purpose of making specific investments, such as a Cross Trade, as defined in Item 11, and any related follow-on investments.

## **C. Advisory Services**

Neither WestBridge Capital US nor WestBridge Capital Partners tailors its advisory services to the individual needs of Investors. However, the Funds may incorporate and abide by certain Investor-imposed investment restrictions. Investors in the Funds have no right to approve any particular investment made by the Funds. Each Fund’s board of directors selects all investments for such Fund.

## **D. Wrap Fee Programs**

Neither WestBridge Capital US nor WestBridge Capital Partners participates in wrap fee programs.

#### **E. Client Assets**

As of December 31, 2015, WestBridge Capital US and WestBridge Capital Partners manage \$2,111,654,271 of client assets on a non-discretionary basis. Neither WestBridge Capital US nor WestBridge Capital Partners currently manages any client assets on a discretionary basis.

## ITEM 5 – FEES AND COMPENSATION

### A. Compensation for Advisory Services

The Funds offer interests/shares only to certain qualified investors, and admission to the Funds is not open to the general public. Investors and prospective Investors should refer to the private placement memorandum of the appropriate Fund for a detailed description of the fees.

#### Crossover Fund

Investors in the Crossover Fund generally pay WestBridge Capital Partners an annual management fee equal to 1.5%, on investor capital accounts. WestBridge Capital Partners pays a portion of its annual income to WestBridge Capital US as an advisory fee. In addition, an affiliate of WestBridge Capital US receives a share of the Crossover Fund investor's capital gains, a portion of which is received by affiliates of the Principal of WestBridge Capital US.

#### Venture Funds

Investors in Ventures I Fund no longer pay WestBridge Capital Partners an annual management fee. An affiliate of WestBridge Capital US receives a share of the Venture I Fund investor's capital gains, a portion of which is received by affiliates of the Principal of WestBridge Capital US.

Investors in Ventures I Co-Investment do not pay an annual management fee or carried interest.

Investors in Ventures II Fund generally pay WestBridge Capital Partners an annual management fee of 2.0%-2.5% of the lower of the cost basis or fair market value of the securities held. WestBridge Capital Partners pays a portion of its annual income to WestBridge Capital US as an advisory fee. In addition, an affiliate of WestBridge Capital US receives a share of the Venture II Fund investor's capital gains, a portion of which is received by affiliates of the Principal of WestBridge Capital US.

WestBridge Capital US and WestBridge Capital Partners comply with Rule 205-3 under the Investment Advisers Act of 1940, as amended (the "Advisers Act") to the extent required by applicable law.

#### SPVs

No management fees or carried interest will generally be payable by the SPVs or their underlying shareholders or members to WestBridge Capital US, WestBridge Capital Partners, or the Indian Advisor.

**It is critical that Investors refer to the relevant private placement memorandum or other governing documents for a complete understanding of how WestBridge Capital US and WestBridge Capital Partners are compensated for their advisory services. The information contained herein is a summary only and is qualified in its entirety by such documents.**

## **B. Fees**

WestBridge Capital Partners bills the Funds for management fees. WestBridge Capital US bills WestBridge Capital Partners for advisory fees. The affiliates of WestBridge Capital US receive shares of the Funds' capital gains referenced above directly from the Funds.

Generally, the management fee is payable quarterly in advance for the Crossover Fund and Ventures II Fund. The 20% share of net capital gains from the Crossover Fund is assessed in arrears on an annual basis, although if an Investor withdraws from the Crossover Fund on a date other than the last day of a fiscal year, the 20% share of net capital gains is made with respect to the amount withdrawn. The 20% share of net capital gains for Ventures I Fund is determined at the time that an investment by Ventures I Fund is disposed of, and is only payable after and to the extent that the Investors in Ventures I Fund have been distributed their capital contributions in respect of such investment and previously disposed investments, a pro rata share of expenses incurred to date, and a 10% Preferred Return. The 20% share of net capital gains for Ventures II Fund is determined at the time that an investment by Ventures II Fund is disposed of, and is only payable after and to the extent that the Investors in Ventures II Fund have been distributed their cumulative capital contributions to date in respect of such investment, and a 6% Preferred Return.

**It is critical that Investors refer to the relevant private placement memorandum or other governing documents for a complete understanding of how WestBridge Capital US and WestBridge Capital Partners are compensated for their advisory services. The information contained herein is a summary only and is qualified in its entirety by such documents.**

## **C. Expenses**

Each Fund, including the SPVs, will bear and does bear its own organizational expenses and operating expenses including: Fund legal, compliance, administrator, audit, tax preparation and accounting expenses (including third party accounting services); directors' fees; organizational expenses; investment expenses such as commissions; research fees and expenses; travel expenses; systems and technology expenses; interest on margin accounts and other indebtedness; borrowing charges on securities sold short; custodial fees; bank service fees; Fund-related insurance costs; and any other expenses related to the purchase, sale or transmittal of Fund assets.

With respect to the Venture Funds, management fees payable to WestBridge Capital Partners may be reduced as an offset against fees received by the respective affiliate or its shareholders from portfolio companies (the "Management Fee Offset"). WestBridge Capital US, WestBridge Capital Partners, the Indian Advisor and their respective affiliates pay all of their respective normal operating expenses including employee salaries, rent, communications and travel expenses associated with matters internal to each of them.

Please refer to Item 12 of this Brochure for information regarding the brokerage practices of WestBridge Capital US.



**It is critical that Investors refer to the relevant private placement memorandum, or other governing documents for a complete understanding of how WestBridge Capital US and WestBridge Capital Partners are compensated for their advisory services. The information contained herein is a summary only and is qualified in its entirety by such documents.**

#### **D. Advance Payment of Fees**

Management fees are payable to WestBridge Capital Partners quarterly in advance, and WestBridge Capital Partners pays WestBridge Capital US a monthly advisory fee.

Investors in the Venture Funds are generally only able to withdraw from the respective Venture Fund with the consent of the Affiliated Investor.

In the case of the Crossover Fund, withdrawals will be subject to significant conditions and restrictions, which are set forth in the Crossover Fund's governing documents. Such conditions, restrictions, and limitations may include, without limitation:

- The condition that withdrawal or redemption requests be properly submitted in accordance with the relevant Fund documents and in a timely manner;
- The condition that the 4-year lock-up period has been completed;
- Restrictions due to side pocket investments;
- The condition that withdrawals or redemptions have not been suspended (in whole or in part) or postponed;
- The condition that withdrawal payments may only be made on a semi-annual basis;
- Limitations on the amount that may be withdrawn by an Investor on any withdrawal date, such that an Investor may only withdraw capital over 8 consecutive withdrawal dates;
- Limitations on the amount paid to a withdrawing Investor due to fees, expenses and/or reserves for certain contingencies, among others; and
- Limitations on the method of withdrawal payments (i.e., in cash or in kind).

The Funds may waive or modify the conditions relating to withdrawals by Investors, including Investors that are principals, employees or affiliates of WestBridge Capital US or its affiliates.

**It is critical that Investors refer to the relevant private placement memorandum, or other governing documents for a complete understanding of how WestBridge Capital US and WestBridge Capital Partners are compensated for their advisory services. The information contained herein is a summary only and is qualified in its entirety by such documents.**

## **ITEM 6 - PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

As described in Item 5.B above, WestBridge Capital US, WestBridge Capital Partners or one of their affiliates receives performance-based compensation from Investors, other than Investors in Ventures I Co-Investment. As a result, WestBridge Capital US and WestBridge Capital Partners have a conflict of interest if, in any time period, one fee structure would cause higher fees to be paid to WestBridge Capital US, WestBridge Capital Partners and their affiliates than the other fee structure, because WestBridge Capital US and WestBridge Capital Partners would have an incentive to favor the account that would pay the higher fees. However, this conflict is mitigated because Ventures I Fund and Ventures I Co-Investment may currently only make follow-on investments and are not making any new investments. In addition, WestBridge Capital US and WestBridge Capital Partners have policies and procedures to review client account investment allocations on a regular basis for Funds actively making new investments or in other relevant circumstances.

It should be noted that the possibility that WestBridge Capital US, WestBridge Capital Partners or one of their affiliates may receive performance-based compensation creates a potential conflict of interest in that it may create an incentive for WestBridge Capital US and WestBridge Capital Partners to recommend investments that are riskier or more speculative than in the absence of such performance-based fee compensation. Each Fund discloses to its Investors how performance-based compensation is calculated with respect to that Fund and the risks associated with such performance-based compensation in its private placement memorandum.

## **ITEM 7 – TYPES OF CLIENTS**

WestBridge Capital US provides non-binding, non-discretionary investment advisory services to WestBridge Capital Partners, which in turn manages pooled investment vehicles operating as private investment funds.

Each Investor in the Funds must meet the eligibility provisions outlined in the relevant private placement memorandum. Investors in Ventures I Fund and Ventures II Fund are required to make minimum capital commitments of \$5 million per institutional or corporate investors, and \$1 million per individual. Investors in Ventures I Co-Investment are required to make minimum capital commitments of \$100,000. Investors in the Crossover Fund are required to make minimum capital contributions of \$10 million per institutional or corporate investors, and \$1 million per individual. These minimums may be reduced or waived at the discretion of the Funds' directors.

## **ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

### **A. Methods of Analysis and Investment Strategies**

#### Crossover Fund

WestBridge Capital US recommends investments to WestBridge Capital Partners, which uses such recommendations to manage the Crossover Fund. WestBridge Capital US seeks to provide non-binding and non-discretionary investment advisory services to WestBridge Capital Partners, with regard to investments by the Crossover Fund in Indian companies that have management teams with an established track record and significant experience in their respective industries. WestBridge Capital US also analyzes companies serving the US and European markets that it believes are well positioned to capitalize on economic growth in India. Specifically, WestBridge Capital US' analysis generally focuses on early- to mid-stage investments in companies in the Indian software services, internet services, software products, remote processing services, healthcare and life sciences, financial, consumer products and services, industrial and other industries. When analyzing potential investments in the above mentioned sectors, WestBridge Capital US generally seeks to recommend companies that meet the following criteria:

- A strong existing management team or the ability to supplement an existing management team by recruiting new talent;
- A proprietary or established technology, service concept or business model;
- Unique characteristics of the technology, marketing ability and/or market position;
- Potential to be a market leader;
- Limited competition;
- High revenue growth potential with reasonable capital requirements;
- Ability to acquire a meaningful ownership interest at a reasonable valuation;
- Management expectations to support realizing shareholder value; and
- Ability for the Fund to add value and to exercise influence, regardless of the size of its ownership interest.

#### Venture Funds

WestBridge Capital US recommends to WestBridge Capital Partners investments in Indian and non-Indian companies, which have business linkages to India, principally involved in the technology and technology-enabling sectors. WestBridge Capital Partners uses such recommendations to manage the Venture Funds. WestBridge Capital US targets primarily information technology ("IT") companies whose business plans envisage a large export component to the US market or significant US-based operations. In a similar manner, but to a lesser extent, WestBridge Capital US also targets IT companies that seek to access or operate in the European market. WestBridge Capital US also will consider companies that are focused on the Indian market that adopt established business concepts and revenue models that WestBridge Capital US believes are innovative as well as companies that are implementing strategy and management practices aimed at aggressive growth. WestBridge Capital US may also seek

technology startups that are seeking to establish research and development facilities or back-end operations in India.

**Investing in securities involves risk of loss that Investors should be prepared to bear. Investments in the Funds are appropriate for only experienced and sophisticated persons who meet certain eligibility criteria, are able to bear the risk of loss or some or all of an investment, and have a limited need for liquidity**

## **B. Risk Factors**

*Portfolio investments recommended by WestBridge Capital US and WestBridge Capital Partners should be considered highly speculative and may result in the loss of the entire investment. There can be no assurance that any such losses will be offset by gains (if any) realized on the Funds' other investments.*

### Investments in Early- and Mid-Stage Companies

WestBridge Capital US and/or WestBridge Capital Partners generally recommend investments in the securities of early- and mid-stage companies in the Indian software services, internet services, software products, remote processing services, healthcare and life sciences, financial, consumer products and services, industrial and other industries. Investments in such early stage companies may involve greater risks than generally are associated with investments in more established companies. To the extent there is any public market for the securities held by the Funds, such securities may be subject to more abrupt and erratic market price movements than those of larger, more established companies. Less established companies tend to have lower capitalizations and fewer resources and, therefore, often are more vulnerable to financial failure. Such companies also may have shorter operating histories on which to judge future performance and in many cases, if operating, will have negative cash flow. In the case of start-up enterprises, such companies may not have significant or any operating revenues.

### Changes in India's Political, Social and Economic Climates

WestBridge Capital US and WestBridge Capital Partners generally focus their analysis on Indian companies listed in India for investments by the Crossover Fund. Consequently, the financial performance of WestBridge Capital US' or WestBridge Capital Partners' recommendations will be affected by political, social, and economic developments affecting India, including changes in exchange rates and controls, interest rates, government policies, and taxation policies. Since 1991, the government of India has pursued an economic liberalization process.

Nevertheless, the future course of the government of India's liberalization policies cannot be predicted, and changes in India's economic liberalization and deregulation policies could harm business and economic conditions in India generally and the investments recommended. In addition, the future of the Funds is dependent upon possible changes effected by current or future governments, including specific laws and policies affecting foreign investment, import tariffs, currency exchange rates, and other matters affecting investments in the Funds.

Religious and border disputes persist in India, in particular with respect to the longstanding grievances between the Hindu and Muslim populations. Moreover, India has from time to time experienced civil unrest and hostilities with neighboring countries such as Pakistan.

#### Valuation of Fund Securities and Investments

The valuation of the Funds' investments in private companies is ordinarily determined based upon valuations calculated by the concerned Fund's board of directors (or its audit committee) and is generally based on information provided by the portfolio companies. Certain securities in which the Funds invest may not have a readily ascertainable market price and will be valued solely by the Funds themselves. In certain Funds valuations are also used in determining the relative capital ownership of the investors in the Funds. To the extent the values of the assets are determined inaccurately, investors may be adversely affected in connection with the contribution of additional capital to, or the withdrawal or distribution of capital from, the Funds. If an investor contributes additional capital, such investor may be adversely affected if the value of the portfolio assets is overstated and the other pre-existing investors would be adversely affected if the value of the portfolio assets is understated. Similarly, an investor that is withdrawing capital is adversely affected if the value of the portfolio assets is understated, and the other non-withdrawing investors would be adversely affected if the value of the portfolio assets is overstated.

#### Investment and Repatriation Restrictions

Foreign investment in securities of Indian companies is restricted/controlled to varying degrees. These restrictions may at times limit/preclude foreign investment and increase the costs and expenses of the Funds. Investments by the Funds in Indian companies may require the approval of the Reserve Bank of India ("RBI") and/or other governmental entities. While in some instances such approvals are routinely granted, in others approval may be more difficult to obtain and may be granted only subject to certain conditions, if at all. While Indian regulation of foreign investment has been liberalized in recent years, there can be no assurance that the Funds will be able to obtain all the approvals necessary to implement its investment program fully. Sale of securities by the Fund to another non-resident, as well as further investments by the Funds in Indian companies, may also require the approval of the Government of India and the RBI. Please see additional Risk Factors in the PPMs of the respective Funds for a more detailed summary of Indian legal and regulatory considerations.

#### Exchange Rate Fluctuations

Investors in the Funds invest in U.S. dollars. Investors may run a currency devaluation risk from the time investment funds are brought onshore into India, or the jurisdiction in which the investee company is located, via Mauritius, to finance investments, until the rupee or the concerned currency repatriation by the Fund, in U.S. dollars, following an investment's realization. With India expected to move towards full convertibility by introducing capital account convertibility, the rupee may experience volatility.

#### Securities Markets

It is anticipated that many of the portfolio companies in which the Funds invest have, or will have, their securities listed with an Indian stock exchange at the time of, or after, a Fund's investment. In connection with such a listing, a Fund might be required to agree not to dispose of its securities in the portfolio company for a certain period and accordingly, despite such listing, a Fund's investments may remain illiquid for a significant period. Securities listed on the Indian stock exchange may have low market capitalization and trading volume. There can be no assurance that sales on the Indian stock exchanges will provide a viable exit mechanism for a Fund's investments.

Indian securities markets are substantially smaller, less liquid and more volatile than securities markets in the US. There are approximately 20 recognized stock exchanges in India, including the Over the Counter Exchange of India. Most stock exchanges are governed by regulatory boards. The BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") have nationwide trading terminals and, taken together, are the principal Indian stock exchanges in terms of the number of listed companies, market capitalization and trading volume. The relatively small market capitalizations of, and trading values on, the BSE and NSE may cause a Fund's investments in securities listed on these exchanges to be comparatively less liquid and subject to greater price volatility than comparable US investments.

#### Non-Controlling Investments

WestBridge Capital US or WestBridge Capital Partners may recommend non-controlling investments. Therefore the Funds may have a limited ability to protect their interests in such companies and to influence such companies' management. There can be no assurance that minority shareholder rights will be available or will provide the desired protections. Also, in certain circumstances the Funds may take a controlling interest in or otherwise exercise control over portfolio companies, which could expose the Funds to additional risks.

#### Small and Medium-Capitalization Companies

WestBridge Capital US or WestBridge Capital Partners may recommend investments in the securities of companies with small to medium-sized market capitalizations. While WestBridge Capital US or WestBridge Capital Partners believes they may provide significant potential for appreciation, those stocks, particularly small-capitalization stocks, involve higher risks in some respects than do investments in securities of larger companies. For example, prices of small-capitalization and even medium-capitalization securities are often more volatile than prices of large-capitalization securities and the risk of bankruptcy or insolvency of many smaller companies (with the attendant losses to investors) is higher than for larger, "blue-chip" companies. In addition, due to thin trading in the securities of some small-capitalization companies, an investment in those companies may be less liquid.

#### Non-U.S. Securities

WestBridge Capital US or WestBridge Capital Partners generally recommend investments in non-U.S. securities. Investing in these securities involves considerations and possible risks not

typically involved in investing in securities of companies domiciled and operating in the United States, including the instability of some foreign governments, the possibility of expropriation, limitations on the use or removal of funds or other assets, changes in governmental administration or economic or monetary policy (in the United States or abroad) or changed circumstances in dealings between nations. The application of foreign tax laws (e.g., the imposition of withholding taxes on capital gains, dividend or interest payments) or confiscatory taxation may also affect investment in non-U.S. securities. Higher expenses may result from investment in non-U.S. securities than would from investment in domestic securities because of the costs that must be incurred in connection with conversions between various currencies and foreign brokerage commissions that may be higher than in the United States. Non-U.S. securities markets also may be less liquid, more volatile and less subject to governmental supervision than in the United States. Investments in foreign countries could be affected by other factors not present in the United States, including lack of uniform accounting, auditing and financial reporting standards and potential difficulties in enforcing contractual obligations.

### Venture Capital Investments

WestBridge Capital US or WestBridge Capital Partners may recommend investments in unlisted companies whose securities should be considered to be illiquid. Such illiquidity may adversely affect the ability of the Funds to acquire or dispose of such investments. The Venture Funds typically invest in securities which are not traded freely now and may not be freely traded in the future. These investments may be difficult to value and to sell or otherwise liquidate and the risk of investing in such companies is much greater than the risk of investing in publicly traded securities. Moreover, these unlisted companies are not regulated by the same disclosure and investment protection norms that apply to listed companies.

### Tax Treatment

The question of whether the Funds are liable to tax in India is a complex determination that needs to be made with reference to the prevailing laws in India and Mauritius where the Funds are resident. Please see the Risk Factors in the PPMs of the respective Funds for a more detailed summary of Indian legal and regulatory considerations on the tax treatment of the Fund.

***The above is not a complete list of risk factors. It is important that investors in the Funds refer to the relevant governing documents (including the PPM of the relevant Fund) for a complete understanding of WestBridge Capital US' and WestBridge Capital Partners' methods of analysis and investment strategies. The information containing herein is a summary only and is qualified by such documents.***



## **ITEM 9 – DISCIPLINARY INFORMATION**

WestBridge Capital US and WestBridge Capital Partners are required to disclose all material facts regarding any legal or disciplinary events that would be material to an investor's evaluation of WestBridge Capital US and WestBridge Capital Partners or the integrity of WestBridge Capital US' and WestBridge Capital Partners' respective management teams. Neither WestBridge Capital US nor WestBridge Capital Partners has any legal or disciplinary information to disclose at this time.

## **ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

As noted above, affiliates of WestBridge Capital US or WestBridge Capital Partners are Affiliated Investors that have certain advisory rights associated with such status. Further the Affiliated Investors may receive profit allocations (commonly referred to as “carried interest”) with respect to the Ventures I Fund and Ventures II Fund.

Affiliates of WestBridge Capital US or WestBridge Capital Partners may receive director’s fees or similar compensation from portfolio companies of the Venture Funds which may trigger a Management Fee Offset. The shareholders agreements of the Venture Funds contain certain protections for Investors in the Venture Funds. Investors should contact the Chief Compliance Officer at (650) 645-6220 or [KS.shah@westbridgecap.com](mailto:KS.shah@westbridgecap.com) with any concerns.

In addition, as noted in Item 4 above, WestBridge Capital Partners is partially owned by the Principal and WestBridge Capital Partners’ board of directors includes the Principal and other independent directors.

The Principal and employees of WestBridge Capital US, WestBridge Capital Partners and/or their affiliates may also invest directly in certain Funds, but investments in the Funds made by such parties are generally not subject to the management fees or shares of net capital gains described in Item 5 above.

Peter Wendell, a senior adviser to WestBridge Capital US and to the Funds and a director of the Crossover Fund, is a beneficial owner of WestBridge Capital Partners. Mr. Wendell is the founder of a venture capital firm and still provides investment advisory services to that firm. Mr. Wendell currently serves on the board of directors of numerous companies, both public and private. Any potential conflicts of interest are managed by subjecting Mr. Wendell to the Code, as that term is defined in Item 11 of this Brochure. Relevant relationships are disclosed in the relevant private placement memorandums, which are provided to investors in the Funds prior to their investment.

Muralidhar Shenoy serves as the Director of Operations for WestBridge Capital Partners, and is a director of the Crossover Fund and WestBridge Capital Partners. Any potential conflicts of interest associated with these activities are managed by subjecting Mr. Shenoy to the Code.

Parwatee Iyer serves as a director of WestBridge Capital Partners and is a full time employee of International Financial Services Limited, Mauritius. Any potential conflicts of interest associated with these activities are managed by subjecting Ms. Iyer to the Code.

Raj Tapesar serves as a director of WestBridge Capital Partners and maintains various outside business activities, including a directorship at Prolifik Business Consulting Co. Ltd, an unaffiliated investment advisor. Any potential conflicts of interest associated with these activities are managed by subjecting Mr. Tapesar to the Code.

Sumir Chadha serves as a director of WestBridge Capital Partners and is a director of the Venture Funds. Any potential conflicts of interest associated with these activities are managed by subjecting Mr. Chadha to the Code.

## **ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

### **A. Code of Ethics**

WestBridge Capital US' Code of Ethics (the "Code") is designed to meet the requirements of Rule 204A-1 of the Advisers Act. The Code applies to WestBridge Capital US' and WestBridge Capital Partners' access persons (which term includes all employees of WestBridge Capital US and WestBridge Capital Partners and certain other persons) (the "Access Persons") and sets forth a standard of business conduct that takes into account the status of WestBridge Capital US and WestBridge Capital Partners as fiduciaries and requires Access Persons to place the interests of Advisory Clients and Investors above their own interests. The Code requires Access Persons to comply with applicable federal securities laws. Further, Access Persons are required to promptly bring violations of the Code to the attention of WestBridge Capital US' Chief Compliance Officer. All Access Persons are provided with a copy of the Code and are required to acknowledge receipt of the Code on at least an annual basis.

As required by Rule 204A-1 of the Advisers Act, and as further discussed in Item 11.C below, the Code also sets forth certain reporting and pre-clearance requirements with respect to personal trading by Access Persons. Access Persons generally may not trade in securities issued by public and private companies in India, or that have a significant nexus or business linkages with India and South Asia, with certain market capitalization. Access Persons must also provide the Chief Compliance Officer with a list of their personal accounts and an initial holdings report within 10 days of becoming an Access Person. In addition, Access Persons must provide annual holdings reports and quarterly transaction reports in accordance with Rule 204A-1.

Investors in the Funds may obtain a copy of the Code by contacting the Chief Compliance Officer at (650) 645-6220 or [KS.shah@westbridgecap.com](mailto:KS.shah@westbridgecap.com).

### **B. Potential Conflicts of Interest**

WestBridge Capital US' and WestBridge Capital Partners' employees or related persons may also invest directly or indirectly in the Funds. It should be noted that investments in the Funds made by such parties may not be subject to fees as described in each of the relevant private placement memoranda. The fact that such related persons and employees may have financial ownership interests in the Funds also creates a potential conflict in that it could cause WestBridge Capital US and/or WestBridge Capital Partners to provide different investment advice than if such parties did not have such financial ownership interests. Further, all advice provided by WestBridge Capital Partners to the Funds must be approved by the Fund's board of directors. Such measures are intended to address potential conflicts of interest.

Affiliated Investors may make investments in the Venture Funds. Such investments may not be subject to the same fees as described in each of the relevant private placement memoranda.

WestBridge Capital US and WestBridge Capital Partners recommends interests in the Funds to prospective Investors. This may cause a conflict as certain related persons and affiliates maintain investments in the Funds.

It should also be noted that WestBridge Capital US may give advice and recommend the purchase or sale of securities and other financial instruments, or buy or sell such securities, and instruments for their own account which advice or instruments may differ from advice given to WestBridge Capital Partners including instruments recommended or bought or sold for the Funds by WestBridge Capital Partners based on advice provided by WestBridge Capital US, even though their investment objectives may be the same or similar. Potential conflicts of interest may arise in connection with the personal trading activities of Access Persons.

WestBridge Capital US addresses the above potential conflicts through its personal securities transaction pre-clearance and holding requirements described in Item 11. A. and 11. C, and through disclosure to Investors of such potential conflicts. Further, WestBridge Capital US and WestBridge Capital Partners regularly monitors the Advisory Client portfolios for consistency with Advisory Client objectives, strategies, and target capacity. The Code requires Access Persons to place the interests of Advisory Clients and investors over their own or those of WestBridge Capital US or WestBridge Capital Partners, and all Access Persons are required to acknowledge their receipt and understanding of the Code

### **C. Personal Trading of Related Persons**

The Code is designed to ensure that the personal securities transactions of the Access Persons do not conflict with transactions effected on behalf of the Advisory Clients. Access Persons must (i) place the interests of clients first, (ii) avoid taking inappropriate advantage of their positions within the firm, and (iii) conduct their personal securities transactions in full compliance with the Code.

As required by Rule 204A-1 of the Advisers Act, WestBridge Capital US and WestBridge Capital Partners require Access Persons to report their securities transactions on a quarterly basis and disclose their securities holdings upon employment and on an annual basis thereafter. WestBridge Capital US and WestBridge Capital Partners also restrict the personal trading of Access Persons. Access Persons generally may not invest in securities issued by public and private companies in India, or that have a significant nexus or business linkages with India and South Asia, with certain market capitalization. Access Persons are required to pre-clear transactions in initial public offerings (“IPOs”) and limited offerings.

WestBridge Capital US and WestBridge Capital Partners also maintain policies and procedures that are designed to prevent the misuse of material, non-public information. WestBridge Capital US’s and WestBridge Capital Partners’ personnel are required to certify their compliance with the policies and procedures to prevent insider trading.

## ITEM 12 – BROKERAGE PRACTICES

### A. Recommending Brokers & Research and Other Soft Dollar Benefits

#### Recommendation of Brokers

WestBridge Capital US recommends to WestBridge Capital Partners brokers-dealers for each transaction for the Funds and WestBridge Capital Partners negotiates the fees to be paid to the broker-dealer in connection with such transactions. WestBridge Capital US and WestBridge Capital Partners recognize the duty to seek “best execution.” Consistent with such duty, in determining best execution, WestBridge Capital US and WestBridge Capital Partners take into account the full range and quality of a broker-dealer’s services, including research and other services. Neither WestBridge Capital US nor WestBridge Capital Partners recommends broker-dealers solely on the basis of lowest possible commission costs, but by the best qualitative execution.

WestBridge Capital US and WestBridge Capital Partners will use their best efforts to recommend brokers so that brokerage transactions represent the best qualitative execution for clients, based on such factors as the efficiency of execution, the timing of the transaction, the price of the security purchased or sold, the commission rate, and the financial responsibility and responsiveness of the broker. The lowest possible commission cost is not by itself the determinative factor, and Investors may not always pay the lowest possible commission rates.

In recommending a broker for any transaction or series of transactions, WestBridge Capital US may consider a number of factors, including, for example:

- net price, clearance, settlement and reputation,
- financial strength and stability,
- efficiency of execution and error resolution,
- block trading and block positioning capabilities,
- willingness to execute related or unrelated difficult transactions in the future,
- special execution capabilities,
- order of call,
- offering to WestBridge Capital US or WestBridge Capital Partners on-line access to computerized data regarding the Funds,
- computer trading systems,
- the availability of stocks to borrow for short trades, and
- other matters involved in the receipt of brokerage services generally.

#### Procedures for Evaluating Execution Services

The Chief Compliance Officer will annually evaluate the trade execution services the Funds receive from the brokers WestBridge Capital US recommends to WestBridge Capital Partners, including comparing those services to the services available from other brokers to determine if it is achieving best execution for such transactions.

## **B. Aggregations of Securities**

The Venture Funds are currently only making follow-on investments. The only Fund making new investments is the Crossover Fund. Accordingly, WestBridge Capital US and WestBridge Capital Partners do not aggregate the purchase or sale of securities for its clients.

If WestBridge Capital US or WestBridge Capital Partners aggregate securities sale and purchase orders for a client with similar orders being made contemporaneously for other accounts that it manages or with accounts of its affiliates, it may charge or credit a client the average transaction price of all securities purchased or sold in such transactions. As a result, however, the price may be less favorable to the client than it would be if WestBridge Capital US or WestBridge Capital Partners were not executing similar transactions concurrently for other accounts. WestBridge Capital US or WestBridge Capital Partners may also cause a client to buy or sell securities directly from or to another client, if such a cross-transaction is in the interests of both clients.

### Transactions between Funds

In certain cases, WestBridge Capital Partners, on the recommendation of the Indian Advisor and WestBridge Capital US, may seek to cause a Fund to purchase investments from another Fund, or it may seek to cause a Fund to sell investments to another Fund (such transaction a “Cross Trade”). Cross Trades create conflicts of interest because, by not exposing such buy and sell transactions to market forces, a Fund may not receive the best price otherwise possible, or WestBridge Capital Partners or WestBridge Capital US might have an incentive to improve the performance of one Fund by selling underperforming assets to another Fund in order, for example, to earn fees. Neither WestBridge Capital US nor WestBridge Capital Partners will directly or indirectly receive any commission or other transaction-based compensation for effecting any such transaction. To mitigate any such conflict of interest, prior to causing a Fund to purchase investments from another Fund, or seeking to cause a Fund to sell investments to another Fund, the consent of the relevant Funds’ advisory boards, as applicable, would be sought and the terms of the Cross Trade would be structured in accordance with the relevant Funds’ governing documents. Securities subject to Cross Trades are also generally held by an SPV, which was established for the specific purpose of making the specific investments (and any related follow-on investment).

## **ITEM 13 – REVIEW OF ACCOUNTS**

### **A. Review of Client Accounts**

The Advisory Client portfolios are reviewed on a weekly basis. Such reviews include a review of investment policy, the suitability of the investments used to meet policy objectives, cash availability, and investment objectives. The review considers, among other things, investment performance, the portfolio's sensitivity to market changes, and whether anything has changed subsequent to an initial investment decision that impacts the risk or potential return.

### **B. Reports to Investors**

Subject to applicable confidentiality restrictions, Investors are provided detailed quarterly and annual reports including comprehensive information regarding each portfolio company and annual audited financial statements. In addition pursuant to a side letter certain Investors may receive additional reporting. Investors in the Funds may obtain further detail of such reports by contacting the Chief Compliance Officer at (650) 645-6220 or [KS.shah@westbridgecap.com](mailto:KS.shah@westbridgecap.com).

The Funds have entered into side letter agreements with certain Investors. Such agreements may provide such Investors with additional notification and disclosure rights, special fee arrangements, transfer rights, co-investment rights and special redemption rights relating to frequency or notice, among others. In the future, the Funds may enter into additional side letter agreements. The Funds generally enter into side letters only with Investors who make substantial commitments of capital and side letter provisions typically are not indefinite in term. All such agreements are negotiated prior to the time of investment. WestBridge Capital US and WestBridge Capital Partners comply with the requirements of such side letters to the extent required.



## **ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION**

Not applicable to WestBridge Capital US or WestBridge Capital Partners.

## **ITEM 15 – CUSTODY**

In accordance with Rule 206(4)-2 under the Advisers Act (the “Custody Rule”), WestBridge Capital US is deemed to have custody of Fund assets since an affiliate of WestBridge Capital US and/or WestBridge Capital Partners serves as the General Partner, Manager or Director of each Fund. All of the Funds’ assets, other than certain uncertificated securities purchased in private transactions (which are held by the Fund’s administrators in Mauritius), are held with one or more “qualified custodians” as defined in the Custody Rule (i.e. banks or broker-dealers) that are unaffiliated with WestBridge Capital US or WestBridge Capital Partners.

WestBridge Capital US is exempt from the quarterly account statement delivery obligations and will be deemed to have complied with the surprise audit requirement of the Custody Rule because each of the Funds are subject to an annual audit by an independent public accountant registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board (“PCAOB”). Accordingly, Investors will not receive statements from the custodian. Instead, each Fund’s audited financial statements prepared in accordance with generally accepted accounting principles will be distributed to each Investor within 120 days of each Fund’s fiscal year end. Investors should carefully review the audited financial statements of the Funds, and should compare these statements to any account information or statements received from WestBridge Capital US or WestBridge Capital Partners.

## **ITEM 16 – INVESTMENT DISCRETION**

Neither WestBridge Capital US nor WestBridge Capital Partners has discretionary authority to manage securities accounts on behalf of the Advisory Clients.

## **ITEM 17 – VOTING CLIENT SECURITIES**

Neither WestBridge Capital US nor WestBridge Capital Partners has authority to vote Advisory Client securities. Proxies and other solicitations are delivered to the Funds' administrator by the Funds' custodians. The Funds will respond to such proxies and other solicitations as determined by the Funds' directors.

## **ITEM 18 – FINANCIAL INFORMATION**

Neither WestBridge Capital US nor WestBridge Capital Partners is currently aware of any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients.