

Stewardship Code

1. Background and Introduction

India Resurgence Asset Management Business Private Limited (“**Investment Manager**”/ “**IRAMBPL**”) acts as the Investment Manager to various SEBI registered Category II Alternative Investment Funds (“**IndiaRF**” or the “**Funds**”). As per Paragraph 13.4 of the ‘Master Circular for AIFs’ bearing reference no. SEBI/HO/AFD-1/AFD-1-PoD/P/CIR/2024/39 dated May 7, 2024, as amended (“**Master Circular**”), all AIFs are required to mandatorily follow the Stewardship Code contained in Annexure 10 of the Master Circular, in relation to their investments in listed equities of the Investee Companies to protect the interest of Funds’ investors.

The stewardship principles outline the responsibility of institutional investors to engage constructively with Investee Companies to support sustainable, long-term value creation. The Stewardship Code promotes high standards of corporate governance by encouraging effective monitoring and purposeful engagement with Investee Companies. It provides a principles-based framework to guide institutional investors in fulfilling their stewardship responsibilities in a manner consistent with the interests of their investors and Investee Companies.

SEBI vide its circular No. CIR/CFD/CMDI/168/2019 dated December 24, 2019 (“**SEBI Circular**”) has mandated all Alternative Investment Funds (AIF) to follow the Stewardship Code in relation to the schemes’ investments in listed equities of companies (Investee Companies).

This Stewardship Policy (“**Policy**”) sets out the principles and practices to be followed by IndiaRF acting through its Investment Manager to discharge their stewardship responsibilities in relation to Investee Companies in terms of the Master Circular.

2. Objective

- Protect and enhance long-term value for investors of Funds;
- Promote responsible ownership and governance in Investee Companies;
- Encourage meaningful dialogue with Investee Companies on matters material to long-term value creation, such as business performance, strategy, governance and relevant ESG considerations; and
- Ensure transparency, accountability, and alignment of the Fund’s actions with the interests of stakeholders.

2. Scope & Applicability

This Policy applies to all schemes of the Fund in respect of their investments in portfolio companies whose equity shares are listed on a stock exchange (“**Investee Companies**”). Stewardship activities shall be commensurate to the Fund’s quantum of investment, and percentage of shareholding/ control.

3. Stewardship Principles

Principle 1 - Monitoring of Investee Companies

The Fund will undertake monitoring of its Investee Companies in a manner commensurate to the Fund's quantum of investment, and percentage of shareholding/ control. Monitoring may include:

- Reviewing financial and operational performance as periodically made available;
- Monitoring material ESG risks;
- Corporate governance including remuneration, structure of the board (including board diversity, independent directors etc.) related party transactions, etc.

Principle 2 - Active Engagement

The Fund may engage with Investee Companies, through dialogue with management and board representation (where available), on matters that are material to the Fund's investment. Engagement may relate to:

- Business strategy and performance;
- Engaging with management, as required, on matters relevant to long-term value creation.

Engagement activities shall be undertaken on a best-effort basis and in a manner consistent with the Fund's investment approach.

Principle 3 - Exercise of Voting Rights

- Where the Fund has voting rights, such rights shall be exercised in a responsible and informed manner, and in accordance with the Voting Policy, as may be developed and implemented in consultation with the Investment Manager's investment team.
- Voting decisions shall be documented and based on the best interests of the investors of the Fund.
- The Investment Manager will maintain records of votes cast and the rationale, to the extent applicable and practically possible.

Principle 4 - Managing Conflicts of Interest

- Any actual or potential conflict of interest between the Fund, and its Investee Companies shall be identified, disclosed, and managed in a fair and transparent manner.
- All such conflicts shall be addressed in accordance with the overarching principle of protecting the interests of the Fund and its investors, and any identified conflict shall be escalated to the General Counsel and the Managing Director of IndiaRF for appropriate consideration and guidance.

Principle 5 - Transparency & Disclosure

- The Investment Manager shall disclose, at least annually, an update on stewardship activities undertaken;

- Such disclosures will be shared with investors and, where appropriate, included in the Fund's reporting framework.
- Reports sent to the investors of the Funds on the Investee Companies shall also have information on operational and financial performance. It will be ensured that such reports include information and analysis based on published information and no Unpublished Price Sensitive Information (UPSI) is contained in such reports.

4. Implementation & Oversight

- The Investment Team / Portfolio Management Team, and Monitoring Team of the Investment Manager shall oversee implementation of this Code.
- Responsibilities include monitoring adherence to the Code, maintaining stewardship records on a best-effort basis, and reporting key matters to the members of the Investment Committee.
- While dealing with the Investee Companies, the Investment Manager shall ensure compliance with the SEBI (Prohibition on Insider Trading) Regulations, 2015.

5. Review of the Code

This Code shall be reviewed annually or as and when there are material regulatory or operational changes impacting stewardship responsibilities.