



NAVI AMC Limited

VOTING POLICY



Document Control:

Specifics	Details
Document Name:	Voting Policy
Department:	Investments Team
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Reviewer:	Aditya Mulki
Date of Review:	30/10/2024
Approver:	BOD
Date of Approved:	30/10/2024
Date of Implementation:	30/10/2024
Version:	23.0

Version history:

Version	Date	Comments	Approver
1.0	30/06/2022		RMC & BOD
2.0	30/10/2023		RMC & BOD
3.0	30/10/2024		RMC & BOD



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Background

We, NAVI AMC Limited (AMC), act as an asset management company (Investment Manager) to Navi Mutual Fund ('Fund'). In terms of Securities Exchange & Board of India ('SEBI') circular No. SEBI / IMD / CIR No.18/198647/2010 dated March 15, 2010, clarificatory email received from SEBI on June 23, 2011, SEBI circular no. CIR/IMD/DF/05/2014 dated March 24, 2014, SEBI/HO/IMD/DF2/CIR/P/2016/68 dated August 10, 2016, CIR/CFD/CMD1/168/2019 dated December 24, 2019 and SEBI/HO/IMD/DF4/CIR/P/2021/29 dated March 05, 2021, we have framed the general policy for proxy voting and procedure for exercising the voting rights ("Voting Policy") in respect of equity holdings held by our Mutual Fund schemes in the public listed companies to play an active role in ensuring better corporate governance of listed companies.

Proxy Voting guidelines

As an Investment Manager to the Navi Mutual Fund, Navi AMC Ltd. (AMC) have a fiduciary responsibility to act in the best interest of the unit-holders of the Fund. This responsibility includes exercising voting rights at the general meetings of the companies in which the schemes of the Fund invest.

The fund managers shall review all voting proposals (routine as well as non routine items) and shall ensure that non routine items like change in the state of incorporation, merger and other corporate restructuring, changes in capital structure, stock options, appointment and removal of directors, etc are identified and voted in the manner designed to maximize the value of the unit-holders.

The Investment Manager will generally vote in accordance with the voting policy, but may act differently if the relevant facts and circumstances warrant.

Guidelines:

1. All schemes including passive investment schemes like Index Funds, Exchange Traded Funds etc. shall be required to cast votes compulsorily in respect of the following resolutions:
 - i) Matters as mentioned above with reference to SEBI circular (para 4.iii) SEBI/IMD/CIR No 18/198647 /2010 dated March 15, 2010 (2.a-f)
 - ii) Related party transactions of the investee companies (excluding own group companies). For this purpose, "Related Party Transactions" shall have same meaning as assigned to them in clause



(zc) of Sub-Regulation (1) of Regulation (2) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. 2.

2. Further, for all remaining resolutions which are not covered in "Point 1", AMC shall also compulsorily be required to cast their votes with effect from April 01, 2022.

3. In case of having no economic interest on the day of voting, AMC may be exempted from compulsorily casting of votes.

Procedure for voting/using proxy to vote of the AMC where it is holding equity shares /voting rights in listed companies.

The following procedure will be followed in case of listed companies where (AMC) is holding interest least 1% equity shares or Preference Shares or voting rights as an investment manager to Navi Mutual Fund as well as investments in group companies of the AMC and companies that have subscribed to the units of schemes of Navi Mutual Fund.

A member of the Executive team comprising of CEO and the Fund Managers would take decisions regarding exercising of voting rights or using proxy in the best interest of the unit holders of the schemes of Navi Mutual Fund.

The Chief Compliance Officer/ Company Secretary would be responsible for communication with the company of the decision on exercising of voting rights. The Chief Risk Officer would also oversee the review & control of the entire process of exercising voting rights.

Investment in group companies of the AMC and investment in companies that have subscribed to the units of schemes of Mutual Fund:

In cases where investments are in group companies of the AMC or where the Investee Companies have substantial investments in the schemes of the NAVI Mutual Fund, the AMC shall specifically review all voting proposals and take decisions with respect to voting on such proposals in the best interest of the unit holders.

Conflicts of Interest



Conflicts of interest may arise in certain situations, where:

- (a) AMC/Fund Managers have material business relationship with a proponent of a proxy proposal, participants in a proxy contest, or directors or director candidates of a investee company; and
- (b) An employee of the AMC has a personal interest in the outcome of a particular proxy proposal (which might be the case if, for example, a member of an employee's immediate family were a director or executive officer of the relevant company).

However, AMC will make its best efforts to avoid such conflicts and ensure that any conflicts of interest are resolved in the best interests of unit-holders.

Mechanism of Voting

With the introduction of voting through electronic means, the Investment Manager cast its votes on the voting platform offered by NSDL/CDSL and other service providers. At times, even after voting through electronic means, the fund managers may attend the general meetings of the Investee Companies as it provides an opportunity to pose questions to the directors of the Investee Companies. Where, e-voting is not mandated or in cases of e-voting is not possible, Investment Manger endeavours to vote through proxy.

Use of Services of voting advisor

The Investment Manager may use their discretion to avail the services of the proxy advisor(s) to aid in arriving at the decision for voting. The Fund Managers shall not be bound with proxy advisors' recommendations, and they be permitted to use their discretion.

Disclosure of Voting Policy and Records thereof

This Voting Policy will be accessible on AMC's website (www.navimutualfund.com) and would also be available in the annual report distributed to the unit-holders.



The AMC will disclose summary of the votes cast across all its investee companies and name of the company, details of resolution, its break-up in terms of total number of votes cast in favour, against or abstained from.

Records of the manner in which voting has been exercised, specific rationale supporting the voting decision (for, against or abstain) with respect to each vote proposal (in spreadsheet format) on a quarterly basis, within 10 working days from the end of the quarter in the format as prescribed by SEBI vide circular no. CIR/IMD/DF/05/2014 dated 24 March 2014 and shall be accessible on the website www.navimutualfund.com. The same would also be disclosed in the annual report distributed to the unit-holders.

Further, on an annual basis, the AMC shall obtain Scrutinizer's certification on the voting reports and this auditor's certification shall be submitted to trustees and shall be disclosed in the relevant portion of the Mutual Funds' annual report & Websites of Mutual Fund.

Amendments/Updates, Internal Review and control

Any regulatory amendment/update etc. shall be carried out from time to time to the policy by Investment Committee. The Investment Committee will review the proxy voting required as per the voting policy and actual exercise of proxy votes.

This policy will be reviewed by the Board of Directors of AMC and Trustee on an annual basis.

Approval Date: October 30,2024