

Helios Capital Asset Management (India) Private Limited

PROXY VOTING POLICY V 1.1

IMPORTANT INFORMATION

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1. Background:

Helios Capital Asset Management (India) Private Limited (**'Helios AMC'**) is the Investment Manager to Helios Mutual Fund ("the Fund") and also acts as an Investment Manager to Helios India Alternate Fund bearing SEBI Registration Number- IN/AIF3/19-20/0773, a category III Alternative Investment Fund ("AIF"). As an Investment Manager, it has a fiduciary responsibility to act in the best interest of the unit holders of the Fund/AIF (hereinafter referred to as 'Schemes'). This responsibility also includes exercising voting rights towards the securities in which the Schemes have invested ("Investee Company"), either at the general meetings of the Investee Company(s) or through postal ballots. In accordance with the requirements stipulated by the Securities and Exchange Board of India under the regulations for Mutual Funds and AIF respectively, , Helios AMC has set out this Voting Policy.

Following are some of the general matters that may come up for voting either at the general meetings of the Investee Company(s) or through postal ballots:

- i. Corporate governance matters, including changes in the state of incorporation, merger and other corporate restructuring, and anti-takeover provisions.
- ii. Changes to capital structure, including increases and decreases of capital and preferred stock issuances.
- iii. Borrowings by the Company
- iv. Stock option plans and other management compensation issues.
- v. Social and corporate responsibility issues.
- vi. Appointment and Removal of Directors
- vii. Appointment of Statutory auditors and other auditors
- viii. Any other issue that may affect the interest of the shareholders in general and interest of the unitholders in particular.

This policy is framed with an aim to protect and enhance wealth of the clients/ beneficiaries and to improve governance of the Investee Companies by taking voting decisions in the Investee Company after in-depth analysis rather than blindly supporting the management decisions.

2. Applicability

The policy applies to exercise of the voting rights/proxy votes by the Schemes at the AGMs /EGMs / of the Investee Company. Voting shall be cast for the resolutions proposed by the Investee Company in which the schemes have an holding position..

3. Voting Policy

While voting at the AGM/EGM of the Investee Company of the Schemes, Helios AMC generally follows the following guidelines. However, if the relevant facts and circumstances warrant, Helios AMC may act differently to protect the interest of our unit holders.

- a) The listed Companies are mandatorily required to follow the Code of Corporate Governance prescribed by the Stock Exchanges under the listing agreement. Accordingly, taking into consideration the observance of the code of Corporate Governance and prudent management practices by Investee Companies, Ordinary business viz., approval of Profit and Loss account and Balance sheet, Declaration of dividend, re-appointment of directors, appointment and remuneration of Auditor may not be objected by Helios AMC in the normal course unless otherwise it affects the interest of the unit holders / Clients.
- b) In accordance with SEBI (Mutual Funds) Regulations, 1996 and circulars issued thereunder, voting shall be casted compulsorily in the following matter (including for passive investment funds) in case of Mutual Fund schemes:

- Corporate governance matters, including changes in the state of incorporation, merger and other corporate restructuring, and anti-takeover provisions.
 - Changes to capital structure, including increases and decreases of capital and preferred stock issuances.
 - Stock option plans and other management compensation issues.
 - Social and corporate responsibility issues
 - Appointment and Removal of Directors.
 - Any other issue that may affect the interest of the shareholders in general and interest of the unitholders in particular.
 - 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.
 - all other remaining resolutions which are not covered above.
- c) In case where on the day of voting, schemes of mutual fund and alternative investment funds have no economic interest it may exempt itself from casting of vote.

4. Decision Making

The recommendation on the voting on the resolutions of the Investee companies, i.e., whether Helios AMC will vote for or against the resolution shall be provided by the concerned Fund Manager of the Scheme. The Fund Manager needs to note down the reason or rationale for the decision taken by him and send the same to the Voting Committee by email.

All voting shall be cast at Mutual Fund/ AIF level. However, in case Fund Manager/(s)/ member of the Investment Team of any specific scheme has strong view against the views / of members of the Investment Team of the other schemes, the voting at scheme level shall be allowed subject to recording of detailed rationale for the same & approval of the Voting Committee.

5. Use of Outside Advisory Services:

Helios AMC may utilize any other outside professionals' advisory services to secure expertise and objectivity of voting rights and also to enhance the fidelity of voting rights execution. However, even if such services are used, the obligation to faithfully execute voting rights is with the AMC.

Helios AMC is currently utilizing services of an independent professional advisor for the purpose of seeking additional information on the resolutions proposed by the Investee Company which helps the AMC to take informed decisions on the proposals. The advisor also provides its recommendation on the proposals along with rationale for the same.

The recommendations from the external advisory professionals are utilized for reference purposes only, the final determination and decisions are made by Helios AMC. Further, the AMC may choose not to act upon the recommendations of the external advisors in case it has valid justification for the same.

6. Voting Procedure & Committee

Helios AMC has constituted Voting Committees for its MF and AIF business comprising following members

1. CEO

2. COO
3. CIO*
4. Equity Fund Manager
5. Compliance Officer
6. Head – Operations

* In case of AIF, Head of Equity/Fund Manager and Dealer are the members of the Committee.

The primary role of the Committee is to keep an oversight on the votes cast decision of the Fund Manager.

As a process, Fund Manager(s)/Chief Investment Officer is responsible for analyzing the resolutions and deciding whether to vote for or against the proposal of the Investee Company.

Their recommendation is then circulated to the Committee via email.

In case any of the members of the Committee has a different view on any of the voting proposals, the member can take up the matter with the Committee for discussion and based on such discussion, the final voting decision is determined.

Thereafter, Operations team sends the decision on the resolution to the Custodian to cast the votes.

The voting decision for shareholders resolution(s) to be passed at all the general meetings or through postal ballot of the investee company, shall be executed by Helios AMC by casting votes through the e-voting facility provided by NSDL/CDSL/KFin Tech or the same can be executed on the platform by the Custodian on the instructions of Helios AMC.

However, in case the e-voting facility is not offered by any Investee Company or Helios AMC is not in a position to cast its vote through e-voting, the Chief Executive Officer and / or the Compliance Officer of the Company are authorized to empower, in writing, to delegate to any of the senior managers or executives of the Company as authorized representatives, to enabling them to attend the meeting, to complete the attendance slip exercise voting rights on behalf of the Schemes.

Helios AMC may delegate the proxy voting execution process to Custodian(s) as part of its Service Level Agreement.

7. Voting Procedure for Helios India Alternate Fund

The Investment Manager may vote either by means of e-voting, postal ballot, physical attendance, proxy voting, etc. The decision regarding the voting on the resolution, i.e. whether the Investment Manager will vote for, abstain or against the resolution proposed by the Company/Issuer, will primarily be taken by the fund manager/authorized person.

8. Abstain from voting

In case of Mutual Fund Schemes, in accordance with the regulatory guidance, the AMC shall ensure it does not abstain from voting on any of the resolutions of the Investee Companies exception being conflicting situations/resolution proposed by an associated investee company of the AMC/Sponsor. The AMC shall record rationale for abstaining from resolutions of associated investee company.

9. Conflict of interest

Wherever Helios AMC comes to know that there may be potential conflict of interest when it votes on an entity with which it may have some relationship or otherwise, it will exercise discretion carefully keeping in mind the best interest of the unit holders. However, if, in the opinion of the Committee, if the AMC is highly conflicted in any particular resolution, it may refrain from voting in such a case.

Further, Helios AMC has Stewardship Policy in place which has been drafted in accordance with the Stewardship Principles laid down by SEBI.

10. Review and Control

The Proxy Voting Policy and the actual process of exercising the proxy voting will be reviewed regularly by Helios AMC. Any change in the guidelines by the Regulator will be incorporated appropriately and duly complied with.

11. Disclosures under SEBI Mutual Fund Regulations

In respect of Helios Mutual Fund, following disclosures shall be undertaken pursuant to this policy:

- i) The Voting Policy will be made available on the website of the Fund and shall also be disclosed in the annual report to the unitholders.
- ii) The Fund shall make disclosure of votes cast on its website (in machine readable spreadsheet format) on a quarterly basis from the end of the quarter as per the format enclosed. A detailed report in this regard along with a summary thereof shall also be disclosed on the website. The web-link of this disclosure shall be included/disclosed in the annual report to the unitholders of the Fund.
- iii) A summary of the votes cast across all the Investee Companies and its break-up in terms of total number of votes cast in favor, against or abstained, in the format prescribed, shall also be published on the website of the AMC on an annual basis.
- iv) The format for disclosure of votes cast by Mutual Funds in respect of resolutions passed in general meetings of the investee companies and the format for presenting summary of votes cast by Mutual Funds is as per format enclosed as **Annexure A**.
- v) The requisite reports/certification, as specified in SEBI's Circular SEBI/HO/IMD/DF2/CIR/P/2016/68 dated August 10, 2016, will also be disclosed on the Fund's website and/or in the Annual Report of the Fund in the format as prescribed under SEBI circular and guidelines.
- vi) On an annual basis a certification on the voting reports shall be obtained from 'scrutinizer' in terms of Rule 20(3)(ix) of Companies (Management and Administration) Rules, 2014 and any future amendments to the said rules thereof. The same shall be submitted to the trustees and also disclosed in the relevant portion of the Mutual Funds annual report & website of Helios Mutual Fund.

Disclosure under SEBI AIF Regulations

- i) The Voting Policy will be made available on the website of the Alternative Investment Fund <https://helioscapital.in/>
- ii) The Investment Manager shall record and disclose specific rationale supporting its voting decision (for, against or abstain) with respect to each vote proposal/ resolution for which the Investment Manager has casted its vote and records shall be maintained in the format as provided in **Annexure B**.

iii) These details shall also be disclosed on the website of AIF <https://helioscapital.in>

Review / Declarations of voting report for Helios Mutual Fund:

- i) Fund Managers shall submit a declaration on quarterly basis to the Trustees that the votes cast by them have not been influenced by any factor other than the best interest of the unit holders. Further, Trustees in their Half Yearly Trustee Report to SEBI, shall confirm the same.
- ii) The Board of Helios AMC and Helios Trustee shall be required to be review and ensure that the AMC has voted on important decisions that may affect the interest of the investors and rationale recorded for vote decision is prudent and adequate. Confirmation to this effect along with adverse comments made by auditors and report the same in the half yearly trustee reports.

Review of this policy

Helios AMC shall review this policy once in two years or earlier, if required, in light of change in applicable law and/or for business reasons. The changes/developments shall be communicated to the relevant persons as and when necessary, in accordance with the Regulations. In case any further information/clarification is required in this regard, the following person may be contacted:

Name : Mr. Kiran Deshpande
Office Address : 502, 5th Floor, The Capital, Plot C70, Bandra Kurla Complex,
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Annexure A

1) Format for disclosure of vote cast by Mutual Funds/AMC - during an individual quarter:

| Details of Votes cast during the quarter ended _____, of the financial year _____ | | | | | | | |
|---|--------------|----------------------------|---------------------------------------|------------------------|--|----------------------------|-------------------------------------|
| Meeting Date | Company Name | Type of meetings (AGM/EGM) | Proposal by Management or Shareholder | Proposal's description | Investee company's Management Recommendation | Vote (For/Against/Abstain) | Reason supporting the vote decision |
| | | | | | | | |

2) Format for disclosure of voting by Mutual Funds/AMCs during a financial year

| Details of Votes cast during the Financial year ____ - ____ | | | | | | | | |
|---|--------------|--------------|----------------------------|---------------------------------------|------------------------|--|----------------------------|-------------------------------------|
| Quarte | Meeting Date | Company Name | Type of meetings (AGM/EGM) | Proposal by Management or Shareholder | Proposal's description | Investee company's Management Recommendation | Vote (For/Against/Abstain) | Reason supporting the vote decision |
| | | | | | | | | |

3) Format of providing the summary of proxy votes cast by Mutual Funds/AMCs across all the investee companies

| Summary of Votes cast during the F.Y. ____ - ____ | | | | | |
|---|---------|--------------------------|---------------------------|---------|-----------|
| F.Y. | Quarter | Total no. of resolutions | Break-up of Vote decision | | |
| | | | For | Against | Abstained |
| | | | | | |

Annexure B

| Entity | Meeting Date / Date of Voting Done | Company Name | Type of Vote | Proposal by Management or Shareholder | Proposal's Description | Investee Company' Management Recommendation | Vote (For/ Against/ Abstain) | Reason supporting the vote decision | Type of meetings (AGM/EGM) | Reason supporting the vote decision |
|--------|------------------------------------|--------------|--------------|---------------------------------------|------------------------|---|------------------------------|-------------------------------------|----------------------------|-------------------------------------|
| | | | | | | | | | | |
