

**BAJAJ FINSERV
ASSET MANAGEMENT LIMITED**

Voting Policy and Procedures

Change Matrix	
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Reviewed By	Chief Executive Officer
Approved By	Board of Trustees and AMC
Note	This Policy is prepared keeping in mind the industry practices and the business requirements of an AMC as per SEBI Regulations and Circulars. It is advised to continuously update the policy in line with the changes happening in due course of time.

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1. Background and purpose

Bajaj Finserv Asset Management Limited [AMC/ Investment Manager/ the Company] acts as the investment manager to the Bajaj Finserv Mutual Fund (Mutual Fund). The AMC has a fiduciary duty to act solely in the best interests of the unit holders of the Mutual Fund. As part of this duty, we recognize exercising voting rights to fulfill our fiduciary duties of fidelity and care to the unit holders of the Mutual Fund.

In terms of Securities and Exchange Board of India (SEBI) circular no. SEBI/IMD/CIR No 18 / 198647 /2010 dated March 15, 2010, SEBI Circular No. CIR/IMD/DF/05/2014 dated March 24, 2014, SEBI/HO/IMD/DF2/CIR/P/2016/68 dated August 10, 2016, SEBI Circular No. SEBI/HO/IMD/DF2/CIR/P/2021/024 dated March 4, 2021, SEBI/HO/IMD/DF4/CIR/P/2021/29 dated March 5, 2021, and principles enumerated by SEBI vide its Circular No. CIR/CFD/CMD1/168/2019 dated December 24, 2019, we have framed the general voting policy and procedures for exercising the voting rights ('Voting policy').

This voting policy shall govern the requirement of compulsory casting of votes by all mutual fund schemes (including arbitrage scheme and passive investment schemes viz. Index Funds, Exchange Traded Funds, etc. to the extent relevant and applicable) and shall be applicable to all equity holdings of such investee public listed companies. The intent of this Policy is to take our voting decisions on any resolution in any investee company after undertaking in-depth analysis.

2. Philosophy of Voting policy

The AMC recognizes the importance of good corporate governance in ensuring that management and/or boards of directors of investee companies fulfill their obligations to shareholders. Through our investment research process, the Investment team shall consider such corporate governance issues that are critical to an investment decision. Having invested in any investee company, in accordance with the Company's 'Stewardship Code', the AMC shall continue to monitor the actions taken by Investee company's management and/or Board of Directors and take appropriate voting decisions in the best interest of its unitholders and to improve governance of such investee companies.

Further, in line with our investment guidelines, the Company strives to invest in companies with high standards of corporate governance, acceptable norms and effective management. The Investment Manager may generally attend and/or vote with the management of Investee Company on routine matters. However, when the Investment Manager believes the interest of the shareholder is affected/ prejudiced by any proposal, the Investment Manager will attend and vote against such proposal.

The Investment Manager will generally vote in accordance with this Voting policy but may act differently if relevant facts and circumstances so warrant to protect the rights and interest of the unit holders. However, any deviation to the voting policy shall require approval/ ratification by CIO/ Investment Committee.

3. Voting Guidelines

a. Voting Mechanisms

AMC can exercise the voting through any or all voting routes offered by the investee company. Normally, the voting is permitted by an investee company through either e-voting or by physical attendance at the Annual General Meeting /Extra Ordinary General Meeting/through Postal Ballot, by a designated employee / authorized representatives of the AMC attending meetings or voting through proxy appointed by AMC.

Where the holding of the Mutual Fund Scheme(s) is deemed to be substantial in nature, the AMC may consider to take additional steps to protect its interests including being represented at the meeting of stakeholders by the concerned Fund Manager or concerned analyst tracking the stock or any other Equity Fund Manager.

b. Use of voting advisory services

The Investment team may use their discretion to avail the services of the Proxy Advisor(s) to aid in arriving at decision for voting. The scope of these voting advisory services may include aiding the Investment team with research and non-binding recommendations pertaining to the proposed resolutions of the investee companies.

The Investment team shall not be bound with such advisors' recommendations and will use its sole discretion to rely, act or reject the recommendations given by such voting advisor(s).

c. Voting Decision Making

The votes shall be cast at Mutual Fund level. A decision to vote for or against, shall be taken on each proposal. However, in case Fund Manager/(s) of any specific scheme has strong view against the views of Fund Manager/(s) of the other schemes of the Mutual Fund, under such circumstances, the vote shall be casted at scheme level, subject to recording of detailed rationale for the same. Where the Mutual Fund has engaged the Custodian to vote on any proposal, the Investment Team shall communicate decision to the Custodian to on voting alongwith justification for the same. In case the schemes of Bajaj Finserv Mutual Fund do not have any economic interest on the day of voting, such schemes would be exempted from compulsory requirement of casting the votes (abstain).

With respect to equity and equity related investments, including Infrastructure Investment Trusts (InvITs), the final decision on each proposal shall be taken by either Head of Research or Chief Investment Officer (CIO) or Deputy CIO (including Fund Managers) or Chief Executive Officer (CEO) and/or any such person, as authorized by the CEO/CIO. With respect to fixed income investments, the final decision on each proposal shall be taken by either Chief Investment Officer (CIO) or any Fixed Income Fund Managers or CEO and/or any such person, as authorized by the CEO/CIO.

d. Declaration/ Reporting on vote(s) casted

The CIO / Fund Manager(s) / Decision makers shall submit a declaration on quarterly basis to the Trustees that the votes casted by are in the best interest of the unit holders. Further, the Trustees shall provide the confirmation in this regard, in their Half Yearly Trustee Report to SEBI.

4. Conflict of Interest

It is the responsibility of the AMC to exercise its discretion, in cases where there are any direct or indirect conflict(s) regarding voting and should not be influenced by any overriding interests. In case the AMC recognizes that there may be a potential conflict of interest while taking a decision to vote for / against investee company (for eg. investee company being a group company of the AMC or where the investee company has substantial investments in the scheme(s) of the 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.

In case the investment team is unable to arrive at a decision to vote on such matters involving a potential conflict of interest, the AMC shall vote on such matters post consultation with Investment Committee. In case(s) where the Committee is not able to arrive at a decision, the Committee may take a non-binding external opinion, if required, in such situation(s).

5. Disclosure of Voting policy and Voting Details

The Investment team of the AMC will maintain documentation on the voting information which will *inter alia* contain record of the rationale for voting.

This Voting policy will be uploaded on the website of the Mutual Fund at <http://www.bajajamc.com>

Further, the following periodical disclosures shall be made available on the website of the Mutual Fund:

- a. Voting exercised (voted for or against or abstain) along with the rationale on a quarterly basis within 10 working days from the end of each calendar quarter in the machine-readable spreadsheet format as prescribed by SEBI. Additionally, a summary of the voting exercised across all the investee companies and its break-up in terms of total number of votes cast in favour or against, shall also be updated in the format as prescribed by SEBI.
- b. Voting exercised (voted for or against) along with the rationale on an annual basis in the format prescribed by SEBI, as amended from time to time.
- c. The AMC shall obtain certification from “scrutinizer” in terms of Rule 20 (3) (ix) of Companies (Management and Administration) Rules, 2014 and any future amendment/s to the said Rules thereof on the voting reports disclosed and also disclosed in the annual report and on the AMC’s website.

6. Review and control

The Investment Committee of the AMC will periodically review the voting guidelines and the actual exercise of voting.

AMC shall annually submit the Scrutinizer's certificate on the voting reports being disclosed by them on their website, to the Boards of the AMC and Trustees.

Boards of the AMC and Trustees shall review and ensure that the AMC has voted on important decisions that may affect the interest of investors and the rationale recorded for vote decision is prudent and adequate. The confirmation of the same, along with any adverse comments made by the Scrutinizer, shall be reported to SEBI in half yearly trustee reports.

7. Amendment

In this policy, any reference to any provision of law, regulations or circulars would be deemed to include a reference to every modification(s), amendment(s) and replacement(s) from time to time with effect from the time at which such changes are given effect to.