

VOTING POLICY

Contents

1. Voting Policy.....	
1.1 Background.....	2
1.2 Voting Policy Principles.....	2
1.3 Voting Mechanism.....	2
1.4 Voting Guidelines	3

1.1 Background

Nepean Capital LLP acts as an investment manager (“Investment Manager”) to Nepean Long Term Opportunities Fund II & Nepean Focused Investment Fund (the “Fund”). The Investment Manager has a fiduciary responsibility to act in the best interest of the investors of the Fund. This responsibility includes exercising voting rights attached to the stocks of the companies in which the Fund invests (“Investee Company”) in the best interest of the investors. In terms of the Securities and Exchange Board of India (“SEBI”) circular no CIR/CFD/CMDI/168/2019 dated December 24, 2019, a voting policy has been framed and procedures for exercising these voting rights (“Voting Policy”).

1.2 Voting Policy Principles

The Fund generally invests in companies which have acceptable standards of effective management, follow corporate governance norms and have sound fundamentals. As such, the Investment Manager may generally attend and/or vote with the management of the Investee Company on routine matters. However, when the Investment Manager believes that the interest of the shareholders of an Investee Company will be prejudiced by any proposal, then the Investment Manager will attend and/or vote against such proposal.

The Investment Manager shall vote on resolutions of investee companies in which the Funds holds more than 5% of Investible Funds. It shall review all voting proposals routine as well as non-routine items but shall ensure that non-routine items like change in the state of registered office, 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 investors. Exceptionally, for such matters, the Investment Manager may also decide to abstain from voting where it has insufficient information or there is a conflict of interest or the Investment Manager does not have a clear stance on the proposal.

Although the Investment Manager will generally vote in accordance with the Voting Policy but it may act differently if the relevant facts and circumstances so warrant. Hence, the Investment Manager may deviate from this Voting Policy guidelines when it determines that the deviation is necessary to protect the interests of the investors of Fund.

1.3 Voting Mechanism

With the introduction of voting through electronic means, the Investment Manager will cast its votes on the voting platforms offered by NSDL/CDSL and other service providers.

At times, even after voting through the electronic means, the fund managers may choose to attend the general meetings of the investee companies as it provides an opportunity to pose questions to the Board of the investee companies.

Where, e-voting is not mandated or in cases of e-voting is not possible, the Investment Manager will endeavor to vote through an appointed authorized person.

1.4 Voting Guidelines

Whilst it is difficult to provide an exhaustive list of such issues, the following guidelines/policies reflect what the Investment Manager believes to be good corporate governance measures and the stance it may generally take with respect to the below matters:

1.4.1 Corporate Governance Matters

The Investment Manager supports resolutions that promote transparency and enhance accountability of the management. The Investment Manager will analyze various economic and strategic factors in making the final decision on a resolution. However, the Investment Manager will vote against resolutions which are against the interest of the investors. The Investment Manager will consider, on a case to case basis, proposals to rotate auditors, and will vote against the ratification of appointment of auditors when there is convincing evidence of accounting irregularities or negligence.

1.4.2 Changes to Capital Structure

Changes in capitalization will generally be supported where a reasonable need for the change is demonstrated. The Investment Manager will review on a case-to-case basis, proposals by companies to increase authorized shares and the purpose for the increase. The Investment Manager believes that a company's decisions pertaining to financing has a material impact on its shareholders, in particular when they involve the issuance of additional shares or the assumption of additional debt.

1.4.3 Stock option plans and other proposals pertaining to management compensation

The Investment Manager would support such remuneration proposals, which are tied to achieving long-term performance and enhancing shareholder value.

1.4.4 Social and corporate responsibility

In light of the increasing need for fair disclosures for social and corporate responsibility, the Investment Manager's responsibility increases. The Investment Manager shall vote in favor of such matters which are believed to have significant socio-economic benefits.

1.4.5 Board of Directors

The Investment Manager believes in the philosophy of having an independent board of directors as the same ensures compliance of good corporate governance norms. The Investment Manager would support an independent board of directors, and would like the key committees such as audit, IPO and remuneration committees etc. to be comprised of independent members.

1.4.6 Use of Services of Proxy Advisor

The Investment Manager may use their discretion to avail the services of the Proxy advisor(s) to aid in arriving at decision for voting if authorized by appropriate authority to approve engagement of an external agency for proxy voting or other proxy advisory services, scope of services, whenever the Investment Manager proposes to avail such services. The Investment Manger shall not be bound with the Proxy advisor's recommendations and is permitted to use its discretion whether to rely and/or act on the suggestions/recommendations given by such Proxy advisor(s).

1.4.7 Disclosure of Voting

The Fund will disclose all the voting done on an annual basis by March-end of every year to its investors within the timeline provided in the said SEBI circular. The disclosure will include (1) Name of the company, (2) details of resolution/s (3) actual voting done and (4) brief rationale of the voting decision taken.

1.4.8 Review and Control

The voting guidelines and the actual exercise of proxy voting will be reviewed periodically by the the Investment Manager.

1.4.9 Disclosure of Voting Policy and Exercise of Proxy Votes

This availability of the Voting Policy disclosed on the website and provided to investors on request. Disclosure of exercise of proxy votes in equity holdings shall be sent to investors as on March-end of every year.