

# Review and Oversight Committee (ROC)

## **Policies and Processes**

**8 December 2022**

# **IiAS POLICY AND PROCESS:**

## **REVIEW AND OVERSIGHT COMMITTEE**

### **PURPOSE AND RESPONSIBILITY**

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- The Review and Oversight Committee (ROC or The Committee) of the Institutional Investor Advisory Services India Limited (IiAS) has been constituted to oversee the voting recommendations published by IiAS on shareholder resolutions put forward by Indian companies (See Annexure for IiAS' process for deciding voting recommendations on shareholder resolutions).
- The Committee will be responsible for:
  - ensuring consistency in voting recommendations;
  - alignment of recommendations to the IiAS' Voting Guidelines;
  - setting and maintaining quality standards of IiAS' voting reports;
  - providing guidance regarding voting on a resolution
- The Committee will be responsible for conducting an annual review of the IiAS Voting Guidelines.

### **MEMBERS AND QUORUM**

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- The ROC will comprise senior team members from the analytical team. The names of current members are listed in Annexure to this policy.
- In addition, the Chairperson may choose to invite any other employee to join as a voting member for a specific committee.
- Decisions will be made by consensus.
- Where it is difficult to achieve a consensus, the decision will be based on majority votes. Each member will have one vote and the voting recommendation by the analytical team will carry a vote. In case of a tie in the number of votes, the Chairperson at that committee will have a casting vote.
- Two members will be required to form quorum. The quorum will include the Chairperson any of the remaining members.
- In case the Chairperson is not available, any of the remaining members can be appointed as Chairperson.
- The Committee may be reconstituted or restructured at any time.

### **PROCESS OF INDUCTING NEW MEMBERS**

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- Members may be added to the ROC through broad consensus by the existing members of the ROC. The invitation to join the ROC is at the sole discretion of the existing ROC members.
- Candidates are considered/invited to join the ROC, based on a combination of factors, including, but not limited to:
  - experience at IiAS, other proxy advisory firm or in other entities, including in banks and financial services, law firms or corporates;
  - ability to understand the variables impacting voting recommendations and its implications on IiAS' franchise;
  - understanding of capital markets including both the equity and credit market;
  - historic understanding of past behavior of promoter groups

- maturity in dealing with co-workers.

## MEETINGS AND PROCEEDINGS

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- The Committee meetings will be scheduled as and when required, with prior notice. We recognize there may be circumstances when prior notice is not feasible, but even in these situations, the quorum requirements will not be waived.
- Research analysts should submit their voting recommendations prior to the meeting scheduled.
- All recommendations will be presented and discussed during the ROC meetings. Decisions will be made by consensus, except in extreme circumstances when decisions will be made by majority votes as mentioned above.
- Where research analysts receive additional information after the Committee has made its decision – either before or after the report has been published - they must inform the Committee and request for a revised decision.
- In case Committee members are not available for a meeting, or a decision needs to be taken in the paucity of time, research analysts may present the case to committee members separately. Research analysts are required to reach out to all committee members, or at least sufficient committee members to fulfil quorum requirements. The views, once received from the committee members, must be discussed with the Chairperson before the voting recommendation is decided.

## DEVIATIONS

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- Where it is deemed necessary and prudent to deviate from established criteria, the case needs to be presented to a committee that has a majority of members present and details of such deviation shall be adequately recorded in the voting advisory report.

## RECORDING OF MEETING PROCEEDINGS

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- The voting rationale may be constituted as the minutes of the discussions that take place at the meeting.

## DISCLOSURE AND MANAGEMENT OF POTENTIAL CONFLICTS OF INTEREST

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- Identification of potential conflicts of interest:
  - All research analysts shall provide a declaration of interest (in line with IiAS' Securities Trading Policy) at the beginning of every financial year and keep the company updated regarding any change in such disclosure.
  - In addition, every research analyst shall, during the ROC proceedings, notify the Committee and the Chairperson regarding any actual or potential conflict of interest in relation to the listed company, under IiAS' Conflict of Interest Policy.
- Disclosure of conflict of interest:
  - All disclosures made under this Policy shall be internally documented.
  - Relevant disclosures, as may be deemed necessary, shall form a part of the final report.
- Mitigation of conflict of interest:
  - Research analysts' participation in ROC proceedings shall be based on the disclosure provided by them under [Regulation 19](#) of the SEBI (Research Analyst) regulations, 2014

and any similar disclosure that may be made subsequently.

- Research analysts shall abstain from participating in any aspect of any ROC proceedings involving a listed entity, if they or their immediate financially dependent relative<sup>1</sup> owns any financial interest in the listed entity.
- A research analyst shall also abstain from participating in any aspect of the ROC proceedings involving a listed entity, if a personal, family or financial interest could unduly influence the ROC process. In case of any ambiguity regarding the determination of conflict of interest, the research analyst is advised to abstain from participating in the ROC proceedings.
- The company's employment contract addresses forms of prohibited and non-prohibited outside employment. This should be referred to for additional restrictions.
- Research analysts shall also be subject to the other internal policies applicable to them in the course of their employment.

## ABOUT THE POLICY

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- This policy has been presented to the Board of Directors in December 2022 and is effective from 1 January 2023. This policy will be in force until it is revised or changed.

Revisions to the policy are given below:

Versions	Written in	Effective from
7	July 2021	24 July 2021
6	December 2020	1 January 2021
5	August 2019	8 August 2019
4	May 2019	1 June 2019
3	January 2017	1 February 2017
2	November 2014	Immediately
1	January 2014	Immediately

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<sup>1</sup>"Immediate dependent relative" means: (a) Father (including stepfather); (b) Mother (including stepmother); (c) Spouse; (d) Brother; (e) Sister; (f) Son; (g) Daughter; (h) Son's wife; (i) Daughter's husband; who is financially dependent on any person employed as research analyst | "Financially dependent" means a relative to whom one contributes all or a major amount of necessary financial support.

**Annex A: Permanent voting members of the Review and Oversight Committee**

- Ms. Hetal Dalal, Chairperson
- Ms. Nupur Jalan
- Mr. Anup Pawar