

True North Fund V LLP ('Fund')

Report on Implementation/ Discharge of Stewardship Responsibilities for April 2020- March 2021

SEBI vide its circular no. CIR/CFD/CMDI/168/2019 dated December 24, 2019 ("SEBI circular") has mandated all Mutual Funds and all categories of AIFs to formulate a "Stewardship Code" in relation to their investments in listed equities. In accordance with Principle 6 of the SEBI circular, institutional investors should report periodically on their stewardship activities.

Accordingly, the following report provides the implementation status of every principle as prescribed under SEBI Circular and as elaborated in our stewardship code/policy pertaining to our stewardship activities / responsibilities during the period ending March 2021:

Sr No	Principles of Stewardship Code	Status
1	Formulation of Policy, its disclosure and review	Complied. The Policy on discharge of Stewardship responsibilities has been approved and adopted by the Fund with effect from 12 October 2020. It will be reviewed periodically, to ensure it stays updated as per extant regulations. The policy document and report on how principles mentioned in Stewardship Code are being implemented is hosted on True North website (https://www.truenorth.co.in/).
2	Managing Conflicts of Interest	Complied. During the period, there were no instances where conflict of interest situations surfaced in any of our listed equity investments affecting our stewardship responsibilities. The Fund did not invest in any listed companies which in turn is an investor of the fund that could have potentially impacted our ability to act independently. Also, True North Enterprise Private Limited (investment manager of the Fund), also does not offer merchant banking or corporate finance solutions to any listed company.
3	Monitoring of Investee Companies	Complied. Our team is actively monitoring the investee companies based on the public disclosures made in stock exchanges and financial media. We take part in the earnings calls and shareholders' meetings that are called for by the investee companies during the term of our investment. Key financial updates are shared with the investors of the Fund along with the quarterly note.
4	Intervention and Collaboration with Investee Companies	Complied. During the period, there were no instances where we had to intervene in any matters pertaining to our listed equity investments.

5	Voting Policy	<p>Complied. We have exercised the voting rights in accordance with our approved stewardship policy.</p> <p>Each resolution of the investee companies is evaluated carefully, and votes are casted in the best interest of the investors of the Fund.</p> <p>During the period we have voted on shareholders resolutions of following portfolio companies:</p> <ul style="list-style-type: none">• Magma Fincorp Limited• Aster DM Healthcare Limited• Dalmia Bharat Limited <p>The description of the resolutions and the voting decisions taken are enclosed below.</p>
6	Reporting of Stewardship Activities	<p>Complied.</p> <p>A disclosure pertaining to our stewardship activities during the period is communicated to all the investors.</p>

Disclosure of exercise of voting in Investee companies of True North Fund V LLP					
Summary of voting					
F.Y.	Quarter	Total no. of resolutions	Break-up of Vote decision		
			For	Against	Abstained
2020-2021	1	0	0	0	0
2020-2021	2	19	15	4	0
2020-2021	3	0	0	0	0
2020-2021	4	1	1	0	0
Total		20	16	4	0

Disclosure of exercise of voting in Investee companies of True North Fund V LLP								
Details of votes cast during the financial year ended March 31, 2021								
Resolution no	Meeting Date	Name of the Investor	Investee Company Name	Type of Meetings (AGM/EGM)	Manner of Voting	Proposal's Description	Vote (For/ Against/ Abstain)	Rationale for the voting decision
1	14-Aug-20	True North Fund V LLP	Aster DM Healthcare Limited	AGM	e-voting	To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2020 along with the Auditors Report and the Report of the Board of Directors there on.	For	Regular course of business
2	14-Aug-20	True North Fund V LLP	Aster DM Healthcare Limited	AGM	e-voting	To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2020 along with the Auditors Report there on.	For	Regular course of business
3	14-Aug-20	True North Fund V LLP	Aster DM Healthcare Limited	AGM	e-voting	To appoint a Director in the place of Mr. Anoop Moopen (DIN: 02301362) who retires by rotation and being eligible, offers himself for re-appointment	For	Based on understanding of how promoter and management team have worked; this is when we worked closely with the Company in our prior private equity investor partnership for 10 years till they got listed
4	14-Aug-20	True North Fund V LLP	Aster DM Healthcare Limited	AGM	e-voting	To appoint M/s. Deloitte Haskins & Sells, Chartered Accountants as the statutory auditor of the Company from the conclusion of the 12th AGM till the conclusion of the 17th AGM	For	Regular course of business
5	14-Aug-20	True North Fund V LLP	Aster DM Healthcare Limited	AGM	e-voting	Ratification of remuneration payable to the Cost Auditors for the financial year 2020-2021	For	Regular course of business
6	14-Aug-20	True North Fund V LLP	Aster DM Healthcare Limited	AGM	e-voting	Appointment of Mr. Chenayappillil John George (DIN: 00003132) as Non-Executive Independent Director of the Company for term of three consecutive years.	For	based on understanding of how promoter and management team have worked; this is when we worked closely with the Company in our prior private equity investor partnership for 10 years till they got listed
7	14-Aug-20	True North Fund V LLP	Aster DM Healthcare Limited	AGM	e-voting	Appointment of Mr. James Mathew (DIN:07572909) as Non-Executive Independent Director of the Company for term of three consecutive years	For	based on understanding of how promoter and management team have worked; this is when we worked closely with the Company in our prior private equity investor partnership for 10 years till they got listed
8	14-Aug-20	True North Fund V LLP	Aster DM Healthcare Limited	AGM	e-voting	Appointment of Mr. Sridar Arvamudhan Iyengar (DIN:00278512) as Non-Executive Independent Director of the Company for term of three consecutive years	For	based on understanding of how promoter and management team have worked; this is when we worked closely with the Company in our prior private equity investor partnership for 10 years till they got listed
9	14-Aug-20	True North Fund V LLP	Aster DM Healthcare Limited	AGM	e-voting	Fees for delivery of any document through a particular mode of delivery to a Member	For	Regular course of business
10	31-Aug-20	True North Fund V LLP	Magma Fincorp Limited	AGM	e-voting	To consider and adopt: a. the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2020 and the Reports of the Board of Directors and Auditors thereon; and b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2020 and the Reports of the Board of Directors and Auditors thereon	For	Regular course of business
11	31-Aug-20	True North Fund V LLP	Magma Fincorp Limited	AGM	e-voting	To appoint a Director in place of Mayank Poddar (holding DIN: 00009409) who retires by rotation and, being eligible, offer himself for re-appointment.	Against	After thorough consideration, the investement team decided to vote against the proposed matter. This decision aligns with our stewardship responsibilities and is based on the company's recent performance, which has not met our expectations. We believe this action is in the best interest of our stakeholders and reflects our commitment to fostering effective corporate governance and ensuring the company's long-term success.
12	31-Aug-20	True North Fund V LLP	Magma Fincorp Limited	AGM	e-voting	To appoint Mr Bontha Prasada Rao (holding DIN: 01705080) as Non-Executive Independent Director of the Company	Against	After careful consideration, the investment team decided to vote against the proposed appointment. We believe that diverse board experience will better align with the current composition of the board, ensuring more effective governance and strategic oversight.

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13	31-Aug-20	True North Fund V LLP	Magma Fincorp Limited	AGM	e-voting	To appoint Mr Sunil Chandiramani (holding DIN: 00524035) as Non-Executive Independent Director of the Company	For	Mr. Sunil Chandiramani has rich experience and expertise in the area of Finance, Risk Management, Corporate Governance, Cost Reduction and Profitability Improvement, Digital Transformation, Analytics, Business Integration and HR Performance Measurement and Improvement. The Board considers that his induction would immensely benefit the Company and therefore, recommends approval of the members for his appointment for a term of three years. The investment team agrees with the recommendation of the Board and approves voting in favour of the resolution.
14	31-Aug-20	True North Fund V LLP	Magma Fincorp Limited	AGM	e-voting	Payment of existing remuneration to Mr Sanjay Chamria (DIN: 00009894), Vice Chairman and Managing Director of the Company for the period from 01 April 2019 to 31 March 2021	Against	After careful consideration, the investment team decided to vote against the proposed remuneration payment. This decision reflects our assessment that the company's performance has not been on track and aligns with our commitment to effective corporate governance and stewardship responsibilities.
15	31-Aug-20	True North Fund V LLP	Magma Fincorp Limited	AGM	e-voting	Payment of existing remuneration to Mr Mayank Poddar (DIN: 00009409), Chairman Emeritus and Wholtime Director of the Company in accordance with Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015.	Against	After careful consideration, the investment team decided to vote against the proposed remuneration payment. This decision reflects our assessment that the company's performance has not been on track and aligns with our commitment to effective corporate governance and stewardship responsibilities.
16	30-Sep-20	True North Fund V LLP	Dalmia Bharat Limited	AGM	e-voting	To consider and adopt the (a) audited Standalone Financial Statements for the year ended March 31, 2020, and the Reports of the Directors' and Auditors thereon; and (b) audited Consolidated Financial Statements for the year ended March 31, 2020 and the Report of the Auditors thereon	For	Regular course of business
17	30-Sep-20	True North Fund V LLP	Dalmia Bharat Limited	AGM	e-voting	To consider and confirm that the interim dividend of H2/- (100%) per equity share of H2/- each declared by the Board of Directors on February 6, 2020 be the dividend for financial year ended March 31, 2020.	For	Regular course of business; In agreement with the dividend payout being proposed
18	30-Sep-20	True North Fund V LLP	Dalmia Bharat Limited	AGM	e-voting	To consider and appoint a Director in place of Mr. Jai Hari Dalmia (DIN: 00009717), who retires by rotation and being eligible offer himself for re-appointment	For	Regular course of business
19	30-Sep-20	True North Fund V LLP	Dalmia Bharat Limited	AGM	e-voting	To approve continuance of appointment of Mr. Jai Hari Dalmia (DIN: 00009717), who is of more than seventy five years of age, as a Non-Executive Director of the Company	For	Regular course of business
20	09-Mar-21	True North Fund V LLP	Magma Fincorp Limited	EGM	e-voting	Preferential Allotment of 49,37,14,286 equity shares of the Company, each having face value of Rs. 2/-, at a price of Rs. 70/- per equity share and for an aggregate consideration of Rs. 3,456 crores, on a preferential basis, in the following manner: (a) 45,80,00,000 equity shares of the Company to Rising Sun Holdings Private Limited, for an aggregate consideration of Rs. 3,206 crores; (b) 1,78,57,143 equity shares of the Company to Mr. Sanjay Chamria (a member of the promoter and promoter group of the Company), for an aggregate consideration of Rs. 125 crores; and (c) 1,78,57,143 equity shares of the Company to Mr. Mayank Poddar (a member of the promoter and promoter group of the Company), for an aggregate consideration of Rs. 125 crores.	For	The Company proposes to raise fresh capital of Rs. 3,456 crores. The preferential issue would result - a) in augmenting the networth to over Rs. 6,300 crores, enhancing the capital adequacy from 28.0% as of 31 December 2020 to 68.3% post issuance. b) have positive impact on all stakeholders such as employees, lenders, customers and shareholder. c) backing of a strong corporate group is also likely to have a positive impact on credit ratings, potentially resulting in lower cost of funds, which would allow the Company to offer loans at competitive yields, thereby attracting a higher quality customer, leading to a structural improvement in asset quality, reduction in credit costs and therefore enhanced profitability. This infusion would also enable the Company to further invest in the required growth capital in other group entities. The investment team agrees with the recommendation of the Board and approves voting in favour of the resolution.