Compensation Policy

1. Introduction

This policy outlines the general nature of compensation arrangements between Resurgent ESG Services Pvt. Ltd. (hereafter referred to as "Resurgent ESG" or "the Company") and its clients under the Issuer Pays Model. This policy is in compliance with the SEBI Master Circular for ESG Rating Providers (ERPs).

2. Scope and Objective

The objective of this policy is to ensure that all compensation arrangements are transparent, fair, and free from conflicts of interest, thereby preserving the integrity and objectivity of the ESG rating process. This policy applies to all engagements where Resurgent ESG provides ESG ratings to issuers who compensate the Company for these services.

3. Compensation Structure

- Service Fees: The compensation is structured as service fees paid by the issuer seeking an ESG rating. The fees are determined based on various factors, including but not limited to the scope of the assessment, the complexity of the analysis, and the size or market capitalization of the issuer.
- No Contingency Fees: The compensation shall not be contingent upon the outcome of the ESG rating. This ensures the independence and objectivity of the rating process, aligning with SEBI guidelines.

4. Transparency and Disclosure

- Clear Terms and Conditions: All terms and conditions related to compensation shall be clearly defined in the contract between Resurgent ESG and the issuer. This includes details about the fees, payment schedule, and any additional charges that may apply.

5. Confidentiality

- Protection of Sensitive Information: Resurgent ESG is committed to maintaining the confidentiality of all compensation-related information. Details regarding fees and other financial arrangements will not be disclosed to third parties without proper authorization, except as required by law or regulatory obligations.

6. Conflict of Interest Management

- Independence of Rating Process: Resurgent ESG will take all necessary steps to manage and mitigate any potential conflicts of interest arising from the compensation arrangements. This includes ensuring that the rating process remains independent and is not influenced by the fee structure.
- Internal Controls: Resurgent ESG will implement robust internal controls to monitor and review compensation arrangements periodically, ensuring compliance with SEBI guidelines and maintaining the integrity of the rating process.

- Creation of Analytical Firewalls: Resurgent ESG is dedicated to preserving the objectivity, integrity, and independence of its ratings. Analytical firewalls are created to ensure that rating analysts are not involved in the sourcing of assignments, negotiations of fees, or collection of fees from the issuers. The fees Resurgent ESG receives are not a factor in its analysis or rating opinion.

7. Periodic Review

- Review of Compensation Arrangements: This policy and the associated compensation arrangements will be reviewed periodically to ensure they remain fair, reasonable, and in line with industry standards. Any changes to the compensation structure will be documented and communicated to relevant stakeholders.

8. Compliance and Reporting

- SEBI Compliance: Resurgent ESG will ensure that all compensation arrangements comply with the SEBI Master Circular for ERPs. Any deviations or exceptions will be reported to SEBI in a timely manner.

9. Amendments

This policy may be amended from time to time to reflect changes in regulations, business practices, or other relevant factors. Any amendments will be communicated to all stakeholders and will come into effect as per the revised guidelines.