

Non-Cooperation Policy

Applicable to Issuer-Pays Model, as Per Requirements under SEBI Regulations

Introduction:

This Non-Cooperation Policy outlines Resurgent ESG Services Pvt. Ltd.'s (Resurgent ESG) approach towards entities that have an ESG Rating but fail to cooperate in providing the necessary information required to maintain and review the rating or in adhering to the agreed commercial terms. This policy would ensure that the ESG rating process is transparent and responsible under the Regulations and Guidelines issued by the SEBI vide Master circular no. SEBI/HO/DDHS/POD3/P/CIR/2024/45 dated 16th May 2024.

Applicability of the Policy:

This policy applies to all entities rated by Resurgent ESG under its Issuer-Pays Model. To maintain good faith and trustworthiness in the process of ESG rating, both Resurgent ESG and the rated entity are expected to comply with this policy.

Disclosure of Prior Issuer Non-Cooperation Status

Entities approaching Resurgent ESG for ESG ratings shall declare any history of non-cooperation with other ESG Rating Providers (ERP). Such a declaration shall be supported by reasons for non-cooperation and details regarding the actions taken by the previous ERP.

Criteria /Methodology to Assess Non-Availability Risks

Resurgent ESG has established criteria to assess the risks associated with the unavailability of information from the companies being rated. This assessment will take into account the impact of missing data on the rating process and the credibility of the evaluation results.

Activities Conforming to Non-Cooperation

Non-Disclosure: Delays or failure to disclose timely and accurate information, data, and any clarification sought by Resurgent ESG from the rated entity in respect of the rating, if necessary, will be regarded as non-cooperation.

Non-Receipt of Minimum Information: Failure on the part of the entity to provide the minimum information requirement will be treated as non-cooperation.

Non-disclosure of Material Information: Any non-disclosure of material information or documents by a rated entity, which is necessary for the ESG rating process, would be considered non-cooperation on the part of the entity being rated.

Submission of False/Misleading Information: Submitting false or misleading information to Resurgent ESG would be regarded as an act of non-cooperation and may result in unfavorable rating decisions.

Delayed Response: Any deliberate delay on the part of the entity in providing necessary information in response to a request within the due time limit stipulated will constitute non-cooperation.

Non-payment of Fee: Fees, if any agreed upon, not paid within the due period is considered non-cooperation.

Procedure for Identifying Non-cooperation

The following steps will be followed before according non-cooperation status to the Issuer/Ratee company.

Step 1: Resurgent ESG will issue a written notice to the entity, classifying it as non-cooperative.

Step 2: The rated entity has to respond within 15 days from the date of receipt of the notice.

Step 3: If the Ratee company can explain its non-cooperation with a valid explanation, the notice will be withdrawn.

Step 4: If there is no cooperation from the entity concerned, a final notice is issued within the stipulated time.

Step 5: Continued non-cooperation shall be doctrinally declared by Resurgent ESG as "Issuer Not Cooperating" and update its rating for the same.

Symbol for Non-Cooperation Status

In case a rated entity is assessed as being non-cooperative, then ESG rating symbol shall carry a suffixed "ISSUER NOT CO-OPERATING" in the same font size followed by an explanatory note to the effect that such rating is based on best available information.

Disclosure of Non-Cooperation in Rating Rationale

Resurgent ESG shall indicate the status of non-cooperation by the rated entity in the rating rationale including, the history of any such non-cooperation with other ERPs.

ESG Rating Review, in Case of Non-Cooperation

In case the rated entity does not cooperate during the review of the rating, Resurgent ESG will re-evaluate the rating using the best available information or may decide to withdraw the rating.

Approach for Entities with a History of Non-Cooperation with Other ERPs

If a potential client has a history of non-cooperation with other ERPs, Resurgent ESG would verify if such an entity's ESG rating has maintained "Issuer Not Cooperating" (INC) status beyond 12 months.

- If so, Resurgent ESG will decline to provide a rating until the entity resumes cooperation with at least one ERP or all outstanding ratings with INC status are withdrawn.
- If the period of non-cooperation is less than 12 months, Resurgent ESG may undertake a rating assignment provided there is sufficient information available in the public domain and disclose in the rating rationale the history of non-cooperation.