

Canara HSBC Oriental Life Insurance

Details of Votes cast during the quarter ended : 31 Dec, of the Financial year 2019-2020

Meeting Date	Company Name	Type of Meeting	Proposal by Management or Shareholder	Proposal's Description	Investee company's Management Recommendation	Vote For/Against/Abstain	Reason supporting the vote decision
APOLLO HOSPITALS ENTERPRISE LTD.							
21-Oct-2019	APOLLO HOSPITALS ENTERPRISE LTD.	NCM	Management	Approve the Scheme of Arrangement between Apollo Hospitals Enterprises Limited (AHEL) and Apollo Pharmacies Limited (APL)	For	For	AHEL proposes to transfer the front-end multi-brand retail pharmacy business to APL through a slump sale for a consideration for Rs. 5,278. 0 mn after which AHEL's stake in the business will be come down from 100% to 25. 5%. The back-end supply chain pharmacy business will continue to be part of AHEL. AHEL will enter into a long-term Supplier Agreement with APL and become the exclusive supplier to APL. AHEL will also enter into a Brand Licensing Agreement with APL for the use of the 'Apollo Pharmacy' brand. Although the exact split of revenue and networth between the frontend and backend pharmacy business is not available the company has clarified that around 85% of the pharmacy revenues will be retained with AHEL after the proposed transfer. The valuation adopted is broadly in line with companies engaged in retail business. With this demerger, the company's compliance with regulatory thresholds (FDI caps) will become business-specific: it will allow the AHEL to increase its FII holding.
BAJAJ FINANCE LTD.							
23-Oct-2019	BAJAJ FINANCE LTD.	Postal Ballot	Management	To issue securities to Qualified Institutional Buyers (QIB) through Qualified Institutional Placement (QIP) for an amount not exceeding Rs. 85.0 bn	For	For	Assuming the issue is done at current market price of Rs. 4000. 8 per share, Bajaj Finance will issue ~21. 2 mn equity shares. This will lead to an overall dilution of 3. 5% on the expanded capital base. The dilution will be for all shareholders including the promoters. We believe the equity infusion will help support the NBFC's growth plans and capital adequacy requirements.
TATA CHEMICALS LTD.							

30-Oct-2019	TATA CHEMICALS LTD.	NCM	Management	To approve scheme of arrangement between Tata Chemicals Ltd and Tata Global Beverages Ltd	For	For	The proposed arrangement will transfer the consumer business of Tata Chemicals (TCL) - salt, spices and other food products, to Tata Global Beverages Limited (TGBL). Equity shares of TGBL will be issued to shareholders of TCL, as consideration, in the ratio of 1. 14:1. The proposed transaction is expected to benefit both sets of shareholders: the shareholders of Tata Chemicals will be able to participate in form of equity and shareholders of Tata Global Beverages will benefit from consolidation of the consumer business which will bring the consumer business of the Tata Group under one entity. Post the arrangement, Tata Global Beverages will be renamed to Tata Consumer Products. In order to preserve the brand value of Tata Salt, the consumer products business is being transferred to a Tata Group entity, subject to necessary approvals. Also, the transfer pricing mechanism used for salt supply will be similar to that as currently reported in TCL's segmental disclosures.
TATA GLOBAL BEVERAGES LTD.							
04-Nov-2019	TATA GLOBAL BEVERAGES LTD.	NCM	Management	To approve scheme of amalgamation between Tata Global Beverages Ltd and Tata Chemicals Ltd	For	For	The proposed amalgamation will transfer the consumer business of Tata Chemicals (TCL) - salt, spices and other food products, to Tata Global Beverages Limited (TGBL). Equity shares of will be issued to shareholders of TCL, as consideration, in the ratio of 1. 14:1. In order to realize the brand value of 'Tata Salt', the consumer products business is being sold to a Tata Group entity. Further, the transfer pricing mechanism used for salt supply will be similar to that as currently reported in TCL's segmental disclosures. The proposed transaction is expected to benefit both sets of shareholders: the shareholders of Tata Chemicals will be able to participate in form of equity and shareholders of Tata Global Beverages will benefit from a larger consumer business play as the transaction will bring the consumer business of the Tata Group under one entity. Post the amalgamation, Tata Global Beverages will be renamed to Tata Consumer Products.
UNION BANK OF INDIA							

12-Nov-2019	UNION BANK OF INDIA	Postal Ballot	Management	Issue of 1.66 bn equity shares at Rs 70.9 each aggregating Rs 117.7 bn to the Government of India (GoI) on a preferential basis	For	For	The issue price of Rs 70.9 is at a 35.0% premium to current market price. Union Bank will raise Rs 117.7 bn from this preferential issue to its promoter, the GoI. The funds so raised, will help the bank achieve capital adequacy levels as required by the RBI by 31 March 2020. While the dilution of 48.5% is high, the bank needs the funds for its future growth and to manage its capital adequacy levels.
SHREE CEMENT LTD.							
18-Nov-2019	SHREE CEMENT LTD.	Postal Ballot	Management	Issuance of equity shares for an amount not exceeding Rs. 30.0 bn, by way of a qualified institutional placement (QIP)	For	For	The issue of securities will be governed by the SEBI (ICDR) Regulations and could result in a dilution of around ~4.1% for existing shareholders, at current market price. Shree Cement needs funds to grow inorganically through acquisitions to achieve synergy with existing plants and improve market share. Raising funds through issuance of equity shares will enable the company to maintain its capital structure.
18-Nov-2019	SHREE CEMENT LTD.	Postal Ballot	Management	Modify the terms of remuneration of Prakash Narayan Chhangani, Whole - Time Director, w.e.f. 1 April 2019	For	For	The modification in the remuneration structure allows Prakash Chhangani to choose between accepting rent free furnished accommodation and house rent allowance. This is unlikely to materially impact his overall remuneration. Prakash Chhangani's estimated remuneration of Rs. 52.4 mn is in line with peers and commensurate with the size and complexity of the business. However, his remuneration structure is open-ended. As a good practice, companies must cap the absolute amount of remuneration payable to directors.
TATA MOTORS LTD.							

22-Nov-2019	TATA MOTORS LTD.	EGM	Management	Approve issuance of 201.6 mn equity shares and 231.3 mn convertible warrants at Rs. 150 per each to Tata Sons Private Limited (promoter) on a preferential basis, to raise Rs. 65.0 bn in aggregate	For	For	The infusion by the promoters will result in a dilution of ~12. 8% dilution for existing shareholders. While the dilution is high, Tata Motors has long-term debt of ~Rs. 140 bn and ~Rs. 93 bn due for maturity in CY19 and CY20, respectively. Given, the current inability of business to generate free cash flow, the business will have the raise funds to meet the debt obligation. Infusion of funds through equity will improve the company's capital structure and credit metrics. We generally do not support warrants to promoters, we are making an exception to support this resolution because the company's financial health is improving but weak and there is a need for fund infusion. Infusion in terms of warrants is expected to arrest the rating downgrades and support credit costs. We have flagged the resolution as issue of equity shares and warrants have been clubbed into a single resolution.
H C L TECHNOLOGIES LTD.							
29-Nov-2019	H C L TECHNOLOGIES LTD.	Postal Ballot	Management	Increase in authorized share capital and subsequent alteration of capital clause of Memorandum of Association	For	For	To accommodate a 1:1 bonus issue, the company seeks to increase its authorized capital to Rs 6. 0bnn (3. 0bn equity shares of Rs. 2. 0 each) from Rs 3. 0bn (1. 5bn equity shares of Rs. 2. 0 each). This will be done through the creation of additional 1. 5bn equity shares.
29-Nov-2019	H C L TECHNOLOGIES LTD.	Postal Ballot	Management	Approve issue of bonus shares in the ratio of one bonus share for every share held (ratio of 1:1)	For	For	The company proposes issuance of bonus shares to the shareholders of the company in the ratio of 1:1. To issue the bonus shares, the board has recommended capitalization of reserves. The bonus issue is being made with a view to increase the liquidity of the equity shares in the secondary market and to expand the retail shareholder base.
VEDANTA LTD.							
06-Dec-2019	VEDANTA LTD.	Postal Ballot	Management	Approve continuation of Krishnamurthi Venkataramanan as an Independent Director on attainment of 75 years of age on 11 December 2019	For	For	Krishnamurthi Venkataramanan is the former CEO & MD of Larsen & Toubro Limited (L&T). In line with recent changes in SEBI's LODR, the company seeks shareholder approval for his continuation on the board post attaining the age of 75 years. His continuation is in with statutory requirements.
06-Dec-2019	VEDANTA LTD.	Postal Ballot	Management	Reappoint Krishnamurthi Venkataramanan (DIN: 00001647) as an Independent Director for a period of one year w.e.f. 1 April 2020	For	For	Krishnamurthi Venkataramanan is the former CEO & MD of Larsen & Toubro Limited (L&T). He was appointed as an Independent Director in April 2017. His reappointment is in line with statutory requirements.

MAHINDRA & MAHINDRA FINANCIAL SERVICES LTD.							
08-Dec-2019	MAHINDRA & MAHINDRA FINANCIAL SERVICES LTD.	Postal Ballot	Management	Appoint Arvind V. Sonde (DIN: 00053834) as Independent Director for five years w.e.f. 9 December 2019 up to 8 December 2024	For	For	Arvind V. Sonde, 64, is an advocate and former member of Task force on Direct Taxes at Ministry of Finance. He is proposed to be appointed as Independent Director for five years w. E. F. 9 December 2018 up to 8 December 2024. His appointment is in line with the statutory requirements.
08-Dec-2019	MAHINDRA & MAHINDRA FINANCIAL SERVICES LTD.	Postal Ballot	Management	Reappoint Chandrashekhar Bhawe (DIN: 00059856) as Independent Director for five years w.e.f. 3 February 2020 up to 2 February 2025	For	For	Chandrashekhar Bhawe, 69, is the former Chairperson of SEBI. He was first appointed as Director on 3 February 2015. He is proposed to be reappointed as Independent Director for another term of five years w. E. F. 3 February 2020 up to 2 February 2025. He has attended all the meetings held in FY19. His reappointment is in line with the statutory requirements.
08-Dec-2019	MAHINDRA & MAHINDRA FINANCIAL SERVICES LTD.	Postal Ballot	Management	Approve revision in the remuneration payable to Ramesh Iyer (DIN: 00220759) as Vice-Chairperson & MD w.e.f. 1 April 2020 up to 29 April 2021	For	For	Ramesh Iyer, 61, is the Vice – Chairperson and Managing Director. He was paid a remuneration of Rs. 104.8 mn in FY19 (including apportioned fair value of the options granted). His remuneration structure has ESOPs, which are issued at face value While we do not favor such schemes, which are at a significant discount to the market price, the discount is off-set by the terms of vesting, which are performance-based. While, the overall pay structure is open-ended and gives the board discretionary powers in deciding his variable pay components. We estimate his proposed remuneration of ~Rs. 121.0 mn for FY20. This is in line with peers and commensurate with the scale and size of the company.
LUPIN LTD.							
09-Dec-2019	LUPIN LTD.	EGM	Management	Divestment of entire shareholding in Kyowa Pharmaceutical Industry Co. Ltd (Kyowa), held through Nanomi B.V (Nanomi) to Plutus Ltd., Japan (Unison) for a consideration of JPY 57,361 million	For	For	The proposed divestment of Kyowa will help monetize investment made in the Japanese generic drug market where margins are expected to be under pressure in the future. The proceeds of ~INR 37,987 mn, will help reduce borrowing. The valuation is comparable to peers in the Indian market.
ESCORTS LTD.							
11-Dec-2019	ESCORTS LTD.	Postal Ballot	Management	Reappoint Ms. Nitasha Nanda (DIN: 00032660) as Executive Director	For	For	Ms. Nitasha Nanda, 50, represents the promoter family on board. She has served on the board for the past four years. Her reappointment is in line with all statutory requirements.

11-Dec-2019	ESCORTS LTD.	Postal Ballot	Management	To reappoint Ms. Nitasha Nanda (DIN: 00032660) as Executive Director for a further term of five years from 16 January 2020	For	For	Ms. Nitasha Nanda, 50, represents the promoter family on board. She was appointed as executive director for a term of five years at the FY15 AGM. The company proposes to extend her term further by five years, from 16 January 2020. She was paid a remuneration of Rs. 32.3 mn in FY19 and we estimate her FY20 remuneration at Rs. 42.8 mn. Her proposed remuneration is commensurate with peers and in line with the overall performance of the company.
SECURITY AND INTELLIGENCE SERVICES (INDIA) LTD							
17-Dec-2019	SECURITY AND INTELLIGENCE SERVICES (INDIA) LTD	Postal Ballot	Management	Approve sub-division of equity shares from one share of face value of Rs. 10.0 per share to two shares of face value of Rs. 5.0 per share	For	For	Security & Intelligence Services (India) Limited seeks approval to sub divide equity shares of Rs. 10 each to two shares of Rs. 5.0 each. The sub-division will improve the liquidity of floating stock in the market and make it affordable to small investors.
17-Dec-2019	SECURITY AND INTELLIGENCE SERVICES (INDIA) LTD	Postal Ballot	Management	Alter Capital Clause of Memorandum of Association to accommodate the subdivision of equity shares	For	For	The sub-division of equity shares will require consequential amendment to the existing Clause V of the Memorandum of Association of the company. The authorized capital will consist of 270 mn equity shares of Rs. 5.0 each, after the amendment.
APOLLO TYRES LTD.							
22-Dec-2019	APOLLO TYRES LTD.	Postal Ballot	Management	Approve increase in borrowing limit to Rs. 65.0 bn	For	For	As of 30 September 2019, the company's standalone debt stood at Rs. 37.2 bn. Although the company has sufficient headroom under its current borrowing limit of Rs. 50.0 bn, the company had stated that it will use the funds for the company's growth and capex plan. In its latest investor call transcript for Q2FY20, the company has stated that in FY20, it is expected to incur a capex in the range of Rs. 23-24 bn, mainly towards a new plant in Andhra Pradesh. The company's outstanding debt is rated CRISIL AA+/Stable. We observe that even if the company raises the entire debt (to the full extent of the borrowing limit), credit protection measures will not deteriorate significantly, and the debt-to-equity ratio is likely to be 0.9x.
22-Dec-2019	APOLLO TYRES LTD.	Postal Ballot	Management	Creation of charges/mortgages on assets of the company	For	For	The resolution enables the company to provide security for its borrowings. Secured loans typically have easier repayment terms, less restrictive covenants, and marginally lower interest rates.
RBL BANK LTD							

27-Dec-2019	RBL BANK LTD	EGM	Management	Issue and allot 19.83 mn equity shares on preferential basis at Rs 340.7 per share to four investors to raise Rs 6.76 bn	For	For	RBL Bank's Tier I capital adequacy ratio was 14. 3% on 6 December 2019 (after a QIP where the bank raised Rs 20. 3 bn). The bank needs to raise capital to meet its growth plans, to sustain future growth while maintaining its capital adequacy ratio at levels prescribed by the RBI. The bank proposes to raise Rs 6. 76 bn by way of a preferential issue to four identified investors. The issue price of Rs 340. 7 per share is at 1. 7% to current market price (Rs 339. 45 as on 9 December 2019). The issue will lead to a ~ 3. 9% dilution on the expanded capital base.
27-Dec-2019	RBL BANK LTD	EGM	Management	Issue and allot 4.40 mn equity shares on preferential basis at Rs 340.7 per share to Bajaj Finance Ltd. to raise Rs 1.50 bn	For	Abstain / No Vote	Resolution withdrawn.