

PRAMERICA LIFE INSURANCE
Details of votes cast during the Q2FY25

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
23-07-2024	Bajaj Finance Ltd.	AGM	MANAGEMENT	Approve issue of non-convertible debentures through private placement	FOR	FOR	The issuance of debt securities on a private placement basis will be within the company's overall borrowing limit of Rs. 3.75 tn. The issuances are unlikely to materially impact the NBFC's overall credit quality. An NBFC's capital structure is reined in by RBI's capital adequacy requirements Bajaj Finance Limited's outstanding bank loans are rated CRISIL AAA/Stable/CRIISL A1+, IND AAA/Stable/IND A1+, CARE AA+/Stable/CARE A1+ and ICRA AAA/Stable/ICRA A1+.
23-07-2024	Mahindra & Mahindra Financial Services Ltd.	AGM	MANAGEMENT	Increase borrowing limit from Rs. 1,100.0 bn to Rs. 1,300.0 bn	FOR	FOR	The company's debt is rated CRISIL AAA/Stable/CRIISL A1+, which denotes the highest degree of safety regarding timely servicing of debt instruments. These instruments carry the lowest credit risk. Mahindra and Mahindra Financial Services (MMFSL) is required to maintain its capital adequacy ratio at levels prescribed by the RBI.
25-07-2024	Mphasis Ltd.	AGM	MANAGEMENT	Approve extension of the cashless facility to the employees of subsidiaries towards exercise consideration of stock options under the Mphasis Employee Stock Option Plan 2016	FOR	FOR	Through a separate resolution, the company seeks shareholder approval to extend the cashless facility to the employees of subsidiaries towards exercise consideration of stock options under the Mphasis Employee Stock Option Plan 2016.
25-07-2024	Mphasis Ltd.	AGM	MANAGEMENT	Approve setting up of a cashless facility through provision of money to Mphasis Employees Reward Trust towards exercise consideration of stock options under the Mphasis Employee Stock Option Plan 2016	FOR	FOR	The company had received shareholder approval for the Mphasis Employee Stock Option Plan 2016 in the FY16 AGM. As on the date of the notice, the options available for grant under the ESOP 2016 are 2,757,102 stock options, they will be granted at a maximum discount of 20% of prevailing market price. To ease the cash outflow for the employees at the time of exercise of options, the company now proposes to seek shareholder approval to provide an option to the employees to bear the cost of exercise in excess of US\$ 100 covering the exercise price and the tax on such exercise of stock options. Since the ESOP 2016 is being administered by the Mphasis Employees Equity Reward Trust (MEERT), the company may provide loan(s) or financial assistance to MEERT for the purpose of rendering the cashless settlements to the employees under the ESOP 2016. We support the cashless scheme as it will be cash neutral to the company. The loan provided by the company to the trust will be repaid through the sale proceeds of the deducted shares. The cashless scheme is in line with the regulatory requirements.
25-07-2024	Ashok Leyland Ltd.	AGM	MANAGEMENT	Approve amendment in the Articles of Association	FOR	FOR	There are two amendments to the AoA for which the company seeks shareholder approval. In Clause 102, the company proposes to remove the requirement of Central Government approval for remuneration to non-executive directors, including Independent Directors. In Clause 135(c), the company proposes to remove the requirement of lenders' approval while extending loans, guarantees, or security under section 186 of the Companies Act. These amendments are procedural in nature and do not impact the rights of shareholders. The draft
26-07-2024	Axis Bank Ltd.	AGM	MANAGEMENT	To approve offer and issue of debt securities on a private placement basis upto a limit of Rs 350 bn	FOR	FOR	Axis Bank's debt is rated CRISIL AAA/Stable/CRIISL A1+, ICRA AAA/Stable/ICRA A1+, IND AA+/Stable which denotes the highest degree of safety regarding timely servicing of financial obligations and Ba3/Stable/P-3 by Moody's, BBB-/Positive/A-3 by Standard & Poor's, and BB+/Stable/B by Fitch Ratings internationally. The debt instruments to be issued will be within the bank's overall borrowing limits
26-07-2024	Axis Bank Ltd.	AGM	MANAGEMENT	To approve offer and issue of equity shares or equity linked securities upto a limit of Rs 200 bn	FOR	FOR	As on 31 March 2024, the Bank's Common Equity Tier I (CET 1) ratio was 13.74% as against the regulatory minimum requirement of 8% for CET 1. At the current market price of Rs 1,265.7.0 per share (as on 1 July 2024) the bank will issue ~158.0 mn shares to raise the entire amount of Rs. 200.0 bn. This will lead to an estimated dilution of ~ 4.9% on the expanded capital base. We believe that the dilution is reasonable, and the bank is adequately capitalized. The capital raised will provide the bank to support the growth aspirations of the bank and provide the bank with a buffer to absorb potential impact arising from any deterioration in asset quality.
26-07-2024	AU Small Finance Bank Ltd.	AGM	MANAGEMENT	Approve issuance of securities upto Rs 50.0 bn	FOR	FOR	Assuming securities are issued at the current market price (as on 8 June 2024) of Rs. 642.5 per share, AU Small Finance Bank will issue ~77.82 mn equity shares to raise the entire Rs 50.0 bn. There will be an estimated dilution of 10.4% on the expanded capital base. We believe that the dilution is reasonable, and the bank is adequately capitalized. The capital will be used to support the bank's future growth, augment its capital base, strengthen its balance sheet, to assist the bank in dealing with contingencies or financing business opportunities, while ensuring that its capital adequacy is within regulatory norms. The funds raised will provide AU Small Finance Bank with a buffer to absorb potential impact arising from any deterioration in asset quality.
26-07-2024	AU Small Finance Bank Ltd.	AGM	MANAGEMENT	To approve issuance of debt securities on a private placement basis up to a limit of Rs 60.0 bn	FOR	FOR	The debt security issue will be within the Bank's overall borrowing limit of Rs. 220.0 bn. AU Small Finance Bank's , IND AA+/Stable/Ind A1+ and CARE AA+/Stable/CARE A1+ which denotes a high degree of safety regarding timely servicing of financial obligations. As on 31 March 2024, the bank's Capital Adequacy Ratio (CAR) and Tier I ratio stood at 20.1% and 18.8% respectively. Since AU Small Finance Bank is required to maintain its capital adequacy ratio at levels prescribed by the RBI, we believe that the Bank's debt levels will have to be maintained at regulated levels at all times.
30-07-2024	Shriram Finance Ltd.	AGM	MANAGEMENT	Approve increase in borrowing limits to Rs. 2.35 tn from Rs. 1.90 tn	FOR	FOR	The company's borrowings as on 31 March 2024 were ~Rs. 1.6 tn on a consolidated basis. The company has emphasized that an increase in mobilization of funds is necessary as they expect the business to grow at ~12% in FY25. The Company has plans to disburse about ~Rs.1.6 tn during FY25. To fund this growth, the company proposes to increase the borrowing limits to ~Rs. 2.35 tn. The company's outstanding debt programs are rated CRISIL AA+/ Stable/CRIISL A1+ and CARE AA+/Stable/CARE A1+ which denotes high degree of safety regarding timely servicing of financial obligations. Debt levels in an NBFC are typically reined in by the regulatory requirement of maintaining a slated minimum capital adequacy ratio.
30-07-2024	Shriram Finance Ltd.	AGM	MANAGEMENT	Approve increase in limit for creation of charge on assets/sell/lease/dispose/ encumber assets against borrowings raised / to be raised from the lenders upto 2.9 tn	FOR	FOR	The company seeks shareholder approval to create a charge on its assets upto ~Rs. 2.9 tn. Secured debt has easier repayment terms, less restrictive covenants, and lower interest rates. This is an enabling approval which includes sale of undertaking. Debt levels in an NBFC are typically reined in by the regulatory requirement of maintaining a slated minimum capital adequacy ratio. Further, we draw comfort that Shriram Finance Limited is rated CRISIL AA+/ Stable/CRIISL A1+ and CARE AA+/Stable/CARE A1+ which denotes high degree of safety regarding timely servicing of financial obligations.
30-07-2024	Shriram Finance Ltd.	AGM	MANAGEMENT	Approve increase in limit to sell/ assign/ securitize receivables up to Rs. 500.0 bn from Rs. 400.0 bn	FOR	FOR	The company seeks shareholder approval to raise funds by securitizing/ assigning the receivables/ assets of the company. The company has been raising funds by way of securitization of receivables by way of sale /assignment, which is cost effective. As on 31 March 2024, the outstanding Securitization assets portfolio of the Company was Rs. 274.5 bn and outstanding direct assigned portfolio stood at Rs. 31.9 bn. During FY25, the company aims to continuously review its borrowing options for optimization of borrowing costs, maintaining good liquidity for its business growth and timely servicing of liabilities. In line with this, the company proposes to increase the limit for securitization from Rs. 400.0 bn to Rs. 500.0 bn. With securitization, the company ensures better borrowing profile, leading to lower interest liability owing to its lending to priority sector as per Reserve Bank of India.
07-08-2024	Godrej Consumer Products Ltd.	AGM	MANAGEMENT	Approve extension of grant of GCPL ESOS 2024 to eligible employees of group companies including Holding Company, subsidiaries and associates	FOR	AGAINST	We do not support the extension of ESOP schemes to employees of the holding company, associate companies and group companies.

07-08-2024	Godrej Consumer Products Ltd.	AGM	MANAGEMENT	Approve grant of 'Godrej Consumer Products Limited Employees Stock Option Scheme 2024' (GCPL ESOS 2024) under which 5.0 mn stock options will be granted	FOR	AGAINST	As per the scheme, upto 5.0 mn stock options will be granted to employees in the CEO minus three levels and can extend up to CEO minus five levels and such other grades and levels as may be decided by the Nomination & Remuneration Committee (NRC). The exercise price shall not be greater than the prevailing market price, which is enabling. It allows the company to grant stock options at face value of Re. 1.0 as it has done for the previous scheme. While the vesting is essentially performance-based, the company has disclosed a vast list of performance metrics at a business unit-level and individual level, however, there is no specificity around it. Moreover, there are no targets disclosed for the performance metrics. We believe companies should disclose specific parameters with a pre-defined range of achievements where stock options are granted at deep discount to market price. Given that the stock options can be granted at face value, we do not support the scheme. We believe the company should have disclosed granular details regarding the performance-based vesting targets.
09-08-2024	HDFC Bank Ltd.	AGM	MANAGEMENT	Approve Employees' Stock Option Master Scheme-2024 (ESOS Plan H-2024/ ESOS 2024) under which upto 95,000,000 stock options may be granted	FOR	FOR	HDFC Bank proposes to issue 95.0 mn stock options, leading to an overall dilution of 1.2% on the expanded capital base. HDFC Bank has confirmed stock options will be granted at market price only and at any point if these are to be repriced, the bank will seek fresh shareholder approval. The bank further confirms that historically it has been granting stock options at the pricing that was originally approved by the shareholders at the time of approving the Schemes and that the option given for repricing is only enabling in nature. we support the resolution.
09-08-2024	HDFC Bank Ltd.	AGM	MANAGEMENT	To issue Long-Term Bonds (financing of infrastructure and affordable housing) and Unsecured Perpetual Debt Instruments (part of Additional Tier I capital), Tier II Capital Bonds up to Rs. 600.0 bn on private placement basis	FOR	FOR	HDFC Bank proposes to issue debt securities on private placement basis upto a limit of Rs 600.0 bn. While the debt securities raised may exceed the bank's borrowing limits under Section 180 (1) (c), HDFC Bank is required to maintain its capital adequacy ratio at levels prescribed by the RBI. Therefore, we believe that the bank's debt levels will always be regulated. HDFC Bank's long-term debt is rated CRISIL AAA/CRISIL AA+/Stable/CRISIL A1+ and ICRA AAA/Stable/ICRA A1+, which denote highest safety with respect to timely servicing of financial obligations.
09-08-2024	Blocon Ltd.	AGM	MANAGEMENT	Approve extension of Blocon Limited – Restricted Stock Unit Long Term Incentive Plan FY25-29 (RSU Plan FY25-29) to the employees of present and future subsidiaries	FOR	AGAINST	Through resolution, the company seeks approval to extend the benefits of the RSU Plan FY25-29 to the employees of present and future subsidiaries. While we support the grant of RSUs to employees of unlisted subsidiaries, our view on this resolution is linked to our view on above resolution. Hence, we do not support the resolution.
09-08-2024	Blocon Ltd.	AGM	MANAGEMENT	Approve grant of 6.54 mn RSUs under Blocon Limited – Restricted Stock Unit Long Term Incentive Plan FY2025-29 (RSU Plan FY25-29)	FOR	AGAINST	Under the scheme 6,539,000 restricted stock units (RSUs) would be granted to eligible employees at an exercise price of Rs. 5.0 per option. We do not favour stock option schemes where options are granted at a significant discount (>20%) to market price since stock options are 'pay at risk' options that employees accept at the time of grant. In the case of deeply discounted options, there is no alignment between the interests of investors and those of employees. We make an exception in cases where the vesting of such options is mandatorily linked to detailed performance parameters, which must be disclosed in the shareholder notice and must align to shareholder interests. In this case, the actual number of RSUs to be vested each year for each grantee shall be based on individual performance conditions, including growth in revenue, profits, cashflow and ROC, shareholder value creation and such other conditions as may be determined by the MD and CEO in accordance with the terms set by the Committee. The company has clarified that the NRC has the ultimate authority for administration and superintendence of this scheme. The company has not disclosed granular performance-metrics that will determine the vesting of performance-based grants. Thus, we are unable to support the resolution.
09-08-2024	Blocon Ltd.	AGM	MANAGEMENT	Approve secondary acquisition of shares under Blocon Limited – Restricted Stock Unit Long Term Incentive Plan FY25-29 (RSU Plan FY25-29)	FOR	AGAINST	The company will implement the Restricted Stock Unit Long Term Incentive Plan FY 2025-29 by way of secondary acquisition of shares by the trust. Through resolution, the company seeks shareholder approval for secondary acquisition of a maximum of 6.54 million shares (scheme size) by the trust. Our view on this resolution is linked to our view on above resolution.
20-08-2024	REC Ltd.	AGM	MANAGEMENT	Approve creation of charges/mortgages on assets of the company up to borrowing limits of Rs. 6.0 trillion and USD 24.0 bn equivalent in any foreign currency	FOR	FOR	The company seeks approval for creation charges/mortgages on assets of the company. Secured loans typically have easier repayment terms, less restrictive covenants, and marginally lower interest rates.
20-08-2024	REC Ltd.	AGM	MANAGEMENT	Approve increase in borrowing limit to USD 24.0 bn from USD 20.0 bn, equivalent in any foreign currency and maintain borrowing limits in Indian Rupee at Rs. 6.0 trillion	FOR	FOR	The current borrowing limit as approved at FY23 AGM stands at Rs. 6,000.0 bn in Indian Rupees and USD 20.0 bn in equivalent foreign currency. There is sufficient limit available for borrowing in India Rupees to cater to the business requirements of the company and hence no increase is required. Considering the business growth and cost advantage as compared to borrowings in domestic currency, a large portion of the funding requirement is expected to be met out from the foreign currency borrowings. It is expected that more than USD 7.0 bn is expected to be raised upto September 2025, as against the available limit of ~USD 4.5 bn (as on 15 May 2024). Hence the company is seeking approval to increase the borrowing limit in foreign currency from USD 20.0 bn to USD 24.0 bn. As on 31 March 2024, capital adequacy at 25.82% is higher than the minimum regulatory requirement of 15.0%. Debt Levels in an NBFC are typically reined in by RBI's capital adequacy regulations and the company has outstanding rating of CRISIL AAA/Stable/CRISIL A1+, ICRA AAA/Stable/ICRA A1+, IND AAA/ Stable / IND A1+ and CARE AAA/ Stable / CARE A1+ which denotes highest degree of safety regarding timely servicing of debt obligations.
20-08-2024	REC Ltd.	AGM	MANAGEMENT	Approve issuance of debt securities up to Rs. 1,450.0 bn on private placement basis upto 19 August 2025	FOR	FOR	The approval will be valid for a period of one year from the date of approval from shareholders. The issuance of securities will be within the overall revised borrowing limit of Rs. 6,000 bn and USD. 24.0 bn. As on 31 March 2024, the company had a debt of Rs. 4,455.6 bn as against a net worth of Rs. 693.5 bn on a consolidated basis. The capital adequacy ratio as on 31 March 2024 is 25.82% against a minimum requirement of 15.0 % as required by regulatory norms. The NBFC's capital structure is reined in by RBI's capital adequacy requirements.
22-08-2024	Power Grid Corpn. Of India Ltd.	AGM	MANAGEMENT	Approve increase in issuance of Non-Convertible Debentures (NCDs)/bonds on a private placement basis to Rs. 150.0 bn from Rs. 120.0 bn, for FY25	FOR	FOR	The proposed issuance will be within the approved borrowing limit of Rs. 1.8 tn for the company. Power Grid's debt programs are rated CARE AAA/Stable/CARE A1+, which denotes highest degree of safety regarding timely servicing of financial obligations. As on 31 March 2024, consolidated debt outstanding was Rs. 1.2 tn. The consolidated debt to equity and debt to EBITDA were 1.4X and 3.1X respectively. Power Grid had estimated a capex for FY24 is Rs. 150.0 bn, out of which an amount of Rs. 32.5 bn is spent till 31 May 2024 and balance Rs. 117.7 bn is to be spent over the balance period. The capex of Rs. 150.0 bn is expected to go up to Rs. 180.0 bn to Rs. 200.0 bn and the debt component may go up from Rs. 120.0 bn to Rs. 150.0 bn. Considering the additional requirements of debt, the company wants to increase the existing borrowing limit of the NCD/bonds to Rs. 150.0 bn from Rs. 120.0 bn. The interest yields on proposed borrowings are expected to be comparable to the interest rates of prevailing interest rates of AAA rated corporate bonds. We support the resolution.

22-08-2024	Power Grid Corp. Of India Ltd.	AGM	MANAGEMENT	Approve issuance of Non-Convertible Debentures (NCDs)/bonds on a private placement basis up to Rs. 160.0 bn for FY26	FOR	FOR	The proposed issuance will be within the approved borrowing limit of Rs. 1.8 tn for the company. Power Grid's debt programs are rated CARE AAA/Stable/CARE A1+, which denotes highest degree of safety regarding timely servicing of financial obligations. As on 31 March 2024, consolidated debt outstanding was Rs. 1.2 tn. The consolidated debt to equity and debt to EBITDA were 1.4X and 3.1X respectively. Power Grid had estimated a capex for FY24 is Rs. 150.0 bn, out of which an amount of Rs. 32.5 bn is spent till 31 May 2024 and balance Rs. 117.7 bn is to be spent over the balance period. The capex of Rs. 150.0 bn is expected to go up to Rs. 180.0 bn to Rs. 200.0 bn and the debt component may go up from Rs. 120.0 bn to Rs. 150.0 bn. Considering the additional requirements of debt, the company wants to increase the existing borrowing limit of the NCD/bonds to Rs. 150.0 bn from Rs. 120.0 bn. The interest yields on proposed borrowings are expected to be comparable to the interest rates of prevailing interest rates of AAA rated corporate bonds. We support the resolution.
23-08-2024	Yes Bank Ltd.	AGM	MANAGEMENT	Approve capital raising by way of debt securities upto Rs 25.0 bn	FOR	FOR	The debt raised will be within the overall borrowing limits of Rs. 1100.0 bn. The total capital adequacy ratio of the bank on 31 March 2024 was 15.4% with a Tier-1 capital adequacy ratio of 12.2%. The bank's debt is rated ICRA A/ Positive (Infrastructure Bonds), ICRA A/Positive (BASEL III Tier II Bonds) and ICRA D (Basel III Tier I Bonds). Debt levels in a bank are typically reined in by the regulatory requirement of maintaining a slated minimum capital adequacy ratio.
23-08-2024	Yes Bank Ltd.	AGM	MANAGEMENT	Approve the YBL Restricted Stock Units Plan 2024 of 21,400,000 units that will be granted to employees other than senior management	FOR	FOR	The dilution as a result of the above fresh issuance of 21.4 mn shares will be limited to 0.07% of the expanded share capital. YES Bank seeks shareholder approval for 21.4 mn RSUs to middle management which would be granted at an exercise price of Rs. 2.0 (face value). The senior management of the bank is expressly excluded from the scheme. Vesting is based on the achievement of the banks' targeted RoA and individual performance targets. The stock options will vest only if targets are met at least to the extent of 60%. We support this scheme since it is targeted towards middle and lower management and excludes senior management.
23-08-2024	Hindustan Petroleum Corpn. Ltd.	AGM	MANAGEMENT	Approve increase in authorised share capital to Rs. 50.0 bn from Rs. 25.0 bn and approve consequent alteration to the Memorandum of Association (MoA) and the Articles of Association (AoA)	FOR	FOR	The present authorized share capital of the company is Rs. 25.0 bn comprising 75,000 preference shares of Rs. 100.0 each and 2,492.5 mn equity shares of Rs. 10.0 each. In June 2024, shareholders approved bonus issue of equity shares in the ratio of 1:2 and the post-bonus paid-up share capital stood at Rs. 21.28 bn (from Rs. 14.19 bn prior to the bonus issue). Considering the overall business growth, future expansion and the operational needs, the company seeks to increase the authorized share capital to Rs. 50.0 bn divided into 75,000 preference shares of Rs. 100.0 and 4,999.3 mn equity shares of Rs. 10.0 each. We support the resolution.
23-08-2024	Coforge Ltd.	AGM	MANAGEMENT	Approve shifting of registered office to the State of Haryana from the National Capital of Delhi and consequent alteration to the Memorandum of Association (MoA)	FOR	FOR	The company seeks approval to shift its registered office to the 'Plot No. 13, Udyog Vihar Phase – IV, Sector 18, Gurugram - 122015, State of Haryana from the current location of 8, Balaji Estate, Third Floor, Gurgaon, New Rawl Das Marg, Kalakaj, New Delhi – 110019, NCT of Delhi'. The shifting of registered offices will enable the company to carry out its business more efficiently and with better operational convenience. The meetings of key leadership and Board of Directors of the Company and committees thereof are generally held at Gurugram and shifting of the Registered Office to Gurugram would help the Company's management to monitor its business more economically and efficiently and will allow the company to streamline its various corporate functions at reduced cost with better administrative control, supervision and convenience. The shifting of the registered office would require consequential alteration to the existing Clause II (Registered Office) of the Memorandum of Association (MoA) of the company. The change in registered office is not detrimental to the interest of the stakeholders of the company, including its shareholders. We support the resolution.
27-08-2024	Indusind Bank Ltd.	AGM	MANAGEMENT	Approve issuance of debt securities on a private placement basis up to a limit of Rs. 200.0 bn	FOR	FOR	The issue will be within the bank's overall borrowing limits of the bank i.e. Rs. 750.0 bn which was approved in 2018 AGM. Indusind bank's debt is rated CRISIL AA/Stable/CRISIL A1+ and IND AA+/Stable, which denote a high degree of safety regarding timely servicing of financial obligations. As on 31 March 2024, the bank's Capital Adequacy Ratio (CAR) and Tier I ratio stood at 17.2% and 15.8% respectively. Since Indusind Bank is required to maintain its capital adequacy ratio at levels prescribed by the RBI, we believe that the Bank's debt levels will have to be maintained at regulated levels at all times.
27-08-2024	Indusind Bank Ltd.	AGM	MANAGEMENT	Approve issuance of securities up to a limit of Rs. 100.0 bn	FOR	FOR	If Indusind Bank were to raise the entire Rs. 100.0 bn at the current market price of Rs. 1351.0 (closing market price as on 13 August 2024), it will have to issue ~74.0 mn shares. This will result in an equity dilution of ~ 8.7% on the expanded capital base. The capital will be used to support the bank's future growth, augment its capital base, strengthen its balance sheet, to assist the bank in dealing with contingencies or financing business opportunities, while ensuring that its capital adequacy is within regulatory norms. The funds raised will provide the bank a buffer to absorb potential impact arising from any deterioration in asset quality.
27-08-2024	UPL Ltd.	AGM	MANAGEMENT	Approval to invest and provide loans and guarantees over and above limits available under Section 186 of Companies Act, 2013 to various subsidiaries of the company	FOR	FOR	The funds provided shall be used for working capital requirements and capital expenditure as per the business needs of the subsidiaries. In FY23, UPL has created different legal entities for its different businesses: International Seeds business under Advanta Enterprises, Indian crop Protection business under UPL Sustainable Agri Solutions Limited, Global crop protection business under UPL Corporation Cayman and the process of creating a separate entity for the specialty chemicals business under Superform Chemistries Limited: a 100% subsidiary is ongoing. International Investors such as ADIA, TPG, KKR and Brookfield have invested minority stakes in the different businesses and as per the strategic agreement with the investors, UPL shall provide initial support to the business platforms. As on 31 March 2024, aggregate investments and loans under section 186 amounted to Rs. 35.3 bn and as per the meeting notice after the ongoing transfer of the specialty chemical business into a separate entity is completed, the current limit of Rs. 72.6 bn shall be exhausted: the specialty chemicals business shall be transferred at a net asset value of Rs. 35.7 bn. We support the resolution given the structure of the business and the support shall be provided to subsidiaries in which UPL holds majority stake. Further, the company has provided individual limits with each entity and the minority shareholders are strategic investors and thus not expected to provide financial and operational support.
29-08-2024	NTPC Ltd.	AGM	MANAGEMENT	Approve private placement of non-convertible debentures/bonds aggregating to Rs. 120.0 bn in not more than twelve tranches	FOR	FOR	The company is in capacity expansion mode and a major portion of the capital expenditure requirement of the company has to be funded by debt. The company borrows in the form of NCDs, rupee term loans from banks and financial institutions, foreign currency borrowings, foreign currency bonds etc. In addition to capital expenditure requirement, NTPC also needs to borrow funds to meet its working capital requirement and other general corporate purposes. The issue will be within the approved borrowing limit of the company. NTPC's debt programmes are rated CRISIL AAA/Stable/CRISIL A1+, which denote the highest level of safety with regard to timely servicing of financial obligations. We support the resolution.
29-08-2024	Jubilant Foodworks Ltd.	AGM	MANAGEMENT	Approve creation of charge/security on assets to secure borrowings availed or to be availed by the company or any of the subsidiaries, up to the borrowing limit	FOR	FOR	Secured debt has easier repayment terms, less restrictive covenants and marginally lower interest rates.
30-08-2024	Apollo Hospitals Enterprise Ltd.	AGM	MANAGEMENT	Approve adoption of Apollo Hospitals Enterprise Limited Employee Stock Option Plan 2024 (Apollo ESOP 2024)	FOR	AGAINST	The implementation of Apollo ESOP 2024 will lead to a maximum dilution of 1.5% on the expanded capital base. The exercise price under Apollo ESOP 2024 could range between the face value and the market price. Stock options granted at face value represent a discount of ~99.9% on the current market price. We do not favour ESOP schemes where options are granted at a significant discount (>20%) to market price since stock options are 'pay at risk' options that employees accept at the time of grant. In the case of deeply discounted options, there is no alignment between the interests of investors and those of employees. We are unable to support the resolution.

30-08-2024	Apollo Hospitals Enterprise Ltd.	AGM	MANAGEMENT	Approve extension of Apollo Hospitals Enterprise Limited Employee Stock Option Plan 2024 (Apollo ESOP 2024) to employees of subsidiaries, associates, joint ventures and group companies	FOR	AGAINST	The company seeks to extend the benefits of Apollo ESOP 2024 to the employees of subsidiaries, associates, joint ventures and group companies. Our view is linked to resolution above resolution. Further, we do not support the extension of ESOP schemes to employees of group companies except for unlisted subsidiaries. We do not support the resolution.
30-08-2024	Apollo Hospitals Enterprise Ltd.	AGM	MANAGEMENT	Issue secured/unsecured redeemable non-convertible debentures up to Rs. 5.0 bn via private placement	FOR	FOR	The company's debt programs are rated CRISIL AA+/Stable/CRISIL A1+ and IND AA+/Stable/IND A1+ which indicates a high degree of safety regarding timely servicing of financial obligations. The proposed NCDs will be within the overall borrowing limit of Rs. 38.5 bn. We support the resolution.
30-08-2024	Ultratech Cement Ltd.	NCM	MANAGEMENT	Approve scheme of arrangement for demerger of Cement Business from Kesoram Industries Limited to UltraTech Limited and cancellation of preference share capital of Kesoram Industries Limited	FOR	FOR	The scheme is for the acquisition of the grey cement business of Kesoram Industries Limited's (KIL) by UltraTech Cement Limited (UltraTech). As per the deal, UltraTech will issue one share for every 52 shares of KIL. It will also issue a total of 6.4 fully paid-up 7.3% non-convertible redeemable preference shares with a face value of Rs 100 each for KIL's 9,000,000 5% cumulative non-convertible redeemable preference shares and 1,919,277 zero percent optionally convertible redeemable preference shares which will cancel the preference share capital of KIL. Post-acquisition of KIL's Cement Business, UltraTech's cement capacity – including its ongoing expansion projects is expected to reach 199.6 mtpa. The acquisition will also enable UltraTech to extend its footprint in the highly fragmented, competitive, and fast growing Western and Southern markets in the country and help enhance the its geographic reach in Southern markets such as Telangana where it currently does not have any cement manufacturing plant. We note at an enterprise value of ~72.7 bn, the valuation is broadly in line with similar sized acquisitions that have taken place and the dilution is minimal (~2.0%).
30-08-2024	LIC Housing Finance Ltd.	AGM	MANAGEMENT	To issue redeemable Non-Convertible Debentures on private placement basis up to Rs. 530.0 bn	FOR	FOR	The issuance of debt securities on private placement basis will be within the overall borrowing limit of Rs 4.0 trillion of the company as approved in the 2019 AGM during a period commencing from the date of this approval by the shareholders to the date of the 2025 AGM or the date by which the above limit is exhausted, whichever is earlier. LICHF's outstanding Non-Convertible Debentures are rated CARE AAA/Stable, CRISIL AAA/Stable/CRISIL A1+ and ICRA A1+ which denotes highest degree of safety regarding timely servicing of financial obligations. The capital adequacy ratio as on 31 March 2024 was 20.78% (Tier I – 19.19%) against a minimum of 15.0% as required by regulations. Debt levels in an NBFC are typically reined in by the regulatory requirement of maintaining a slated minimum capital adequacy ratio.
30-08-2024	IDFC First Bank Ltd.	AGM	MANAGEMENT	Approve issuance of debt securities upto Rs. 50.0 bn on a private placement basis	FOR	FOR	The issue shall be within the overall borrowing limit of Rs. 1500.0 bn. IDFC First Bank's debt is rated ICRA AA+/Stable (Basel III Tier II Bonds), IND AA+/Stable, CRISIL AA+/Stable/CRISIL A1+ (Basel III Tier II Bonds) which denotes a high degree of safety regarding timely servicing of financial obligations. As on 31 March 2024, the bank's Capital Adequacy Ratio (CRAR) and Tier I ratio stood at 16.1% and 13.4% respectively. Since Bank is required to maintain its capital adequacy ratio at levels prescribed by the RBI, we believe that the bank's debt levels will have to be maintained at regulated levels at all times.
31-08-2024	Federal Bank Ltd.	AGM	MANAGEMENT	Approve raising of funds through issuance of bonds up to Rs. 60.0 bn	FOR	FOR	The issue of securities will be within the overall borrowing limit of Rs. 120.0 bn over and above the regulatory limits. Federal Bank's debt has been rated CRISIL AA+/Positive/ CRISIL A1+, IND AA+/Stable and CARE AA/Stable, which denote a high degree of safety regarding timely payment of financial obligations. Such instruments carry very low credit risk. The bank's capital adequacy ratio is 15.6% as of 30 June 2024. Independent of the borrowing limits, debt levels in banks are reined in by RBI's capital adequacy requirements.