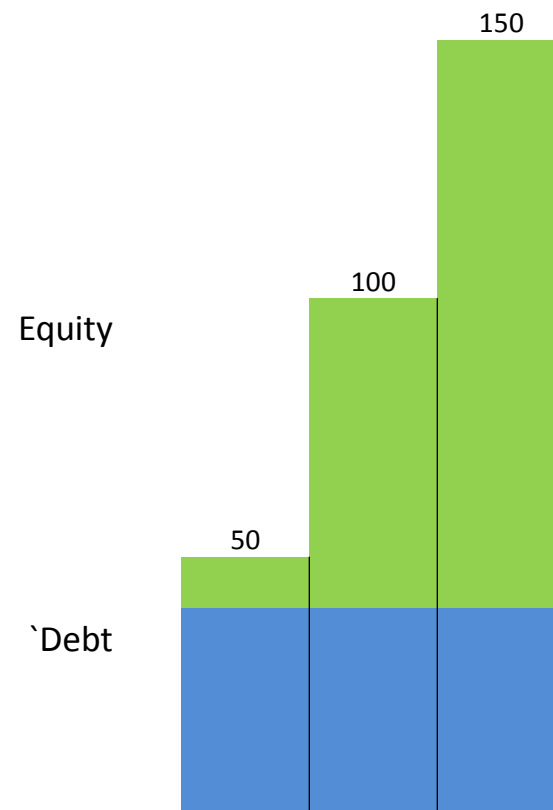


Bank balance sheet: Investors perspective

Buy and sell vs rating stability

Bank A				
Debt	400			
Rate of interest	10%			
Equity (10X10)	100			
Scenario	1	2	3	
Interest	40	40	40	
PAT	50	100	150	



What information do investors want?



For Investors

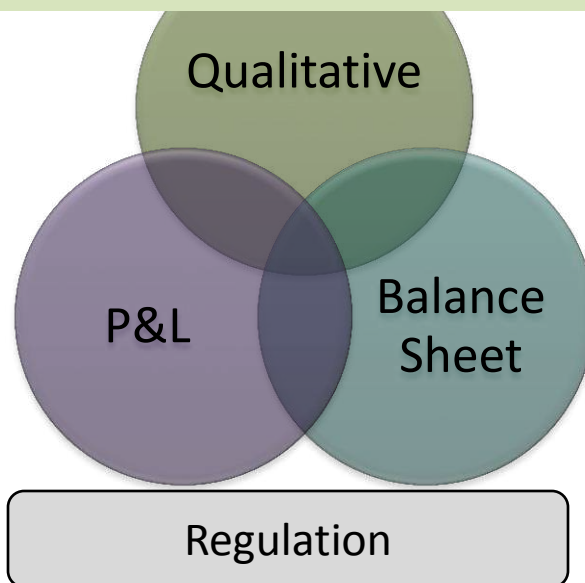
- **Profitability / Growth**
 - NIM
 - RoA
 - RoE
 - Growth in advances, deposits, clients
- **Funding Mix**
 - CASA
 - Borrowing Mix
- **Efficiency**
 - Cost/Income ratio
 - Operating expenses
 - Cost/average assets
- **Growth drivers**
 - Other income / fee income
 - Securitization
 - Trading / treasury profits

General

- **Company Profile**
 - Branch Network
 - Business model and strategy
 - Market share
 - Employee count and productivity per employee
- **Discussions**
 - Earnings guidance
 - Economic forecasts and threats
 - Household income and demographics

For Creditors

- **Credit Quality**
 - Capital adequacy ratio (CAR)
 - Gross and net NPAs
 - Provision coverage
 - Unsecured retail loans
 - Restructured loans
 - Rating of advances
 - Concentration of slippages
- **Exposure details**
 - Retail vs Corporate breakup
 - Composition of retail loans – auto/housing/education/credit cards etc.
 - Composition of corporate loans – SME/Mid-corporates/Large corporates
 - Industry/sector –wise advances
 - Exposure to credit derivatives



Regulation

- Supervisory Framework
- Major regulatory requirements
 - Capital adequacy
 - Migration to Basel III
 - NPL and NPL recognition
 - Large exposures and exposure to equity
 - Liquidity management
- Regulation of interest rate
- Corporate governance
 - Money laundering
- Regulatory action
 - Prompt corrective action
 - Early warning system
- Disclosures and accounting standards
- Valuation methodologies
- Tax regime



What information is being provided?

Financials	ICICI	Axis	PNB	DHFL	HDFC	BOB	HDFC Bank	YES Bank	STFC	SBI	Fed. Bank
Profitability											
NIM	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
RoA	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
RoE	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Funding mix											
CASA	✓	✓	✓	NA	NA	✓	✓	✓	NA	✓	✓
Borrowing Mix	✓	✓	✓	✗	✓	✓	✓	✓	✓	✓	✓
Efficiency											
Cost/income	✓	✓	✓	✗	✓	✓	✓	✓	✓	✓	✓
Operating expenses	✓	✓	✓	✗	✓	✓	✓	✓	✓	✓	✓
Cost/average assets	✓	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗
Growth drivers											
Fee income	✓	✓	✓	✓	✓	✓	✓	✓	✗	✓	✓
Securitization	✓	✓	✗	✗	✗	✗	✗	✗	✓	✗	✗
Trading/treasury profits	✗	✓	✗	✗	✗	✓	✓	✓	✗	✓	✓

What information is being provided?

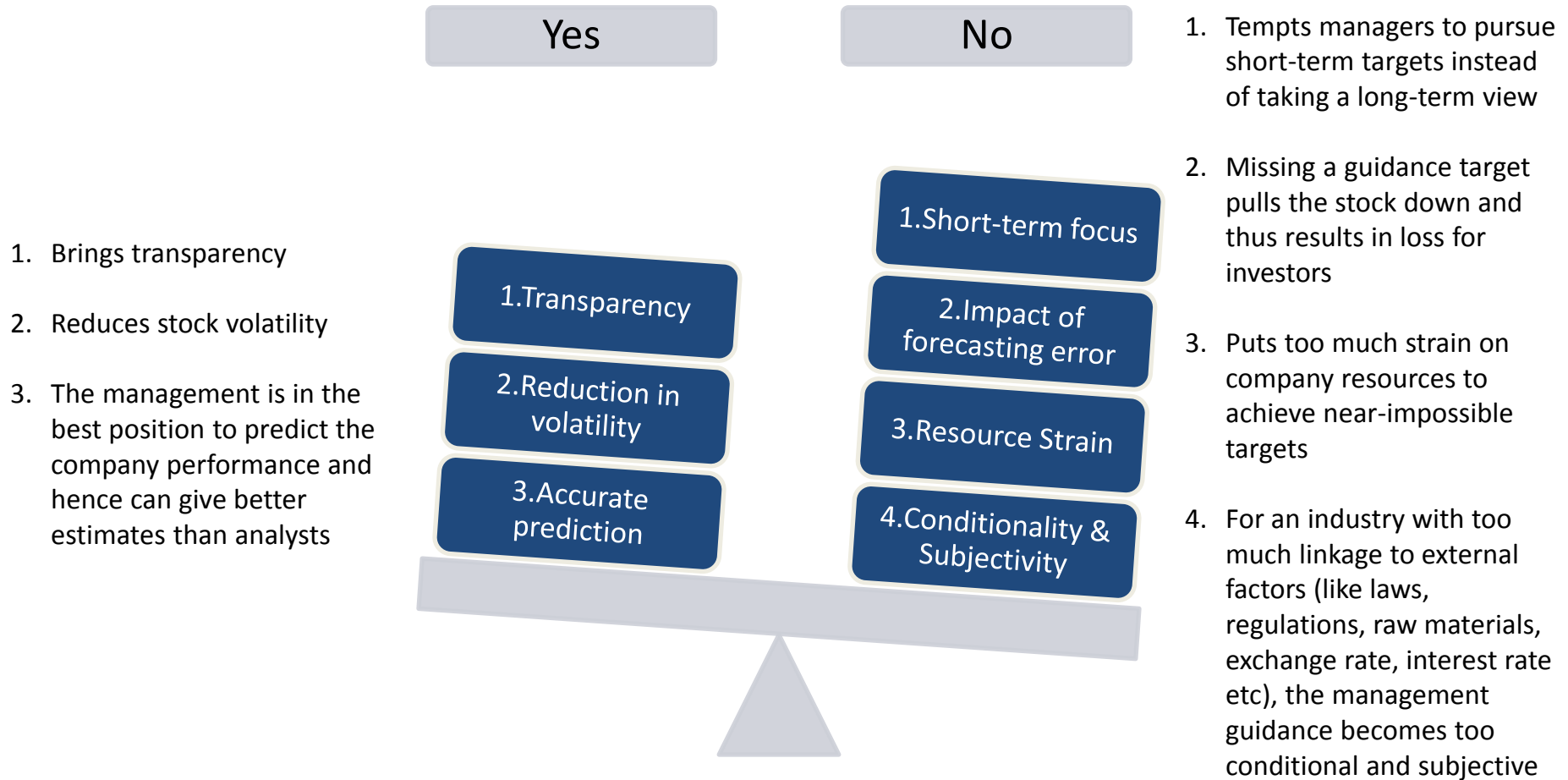
Credit Profile	ICICI	Axis	PNB	DHFL	HDFC	BOB	HDFC Bank	YES Bank	STFC	SBI	Fed. Bank
Credit Quality											
Capital adequacy ratio (CAR)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Gross and net NPAs	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Provision coverage	✓	✓	✓	✓	✓	✓	✓	✓	✗	✓	✓
Unsecured retail loans	✓	✓	✗	✗	✓	✗	✗	✓	✗	✗	✗
Restructured loans	✓	✓	✓	✗	✗	✓	✓	✓	✗	✓	✓
Rating of advances	✗	✓	✗	✗	✓	✗	✓	✗	✗	✗	✓
Concentration of slippages	✓	✗	✗	✗	✓	✗	✗	✓	✗	✓	✗
Exposure details											
Retail vs Corporate breakup	✓	✓	✗	✗	✓	✓	✓	✓	✗	✓	✓
Composition of retail loans – auto/housing/education/credit cards etc.	✓	✓	✗	✗	✓	✓	✓	✗	NA	✓	✓
Composition of corporate loans – SME/Mid-corporates/Large corporates	✓	✓	✗	✗	✓	✓	✓	✓	NA	✓	✓
Industry/sector –wise advances	✗	✓	✓	✗	✗	✓	✓	✓	✓	✓	✓
Exposure to credit derivatives	✓	✗	✗	✗	✗	✗	✗	✗	NA	✗	✗

What information is being provided?

Qualitative

	ICICI	Axis	PNB	DHFL	HDFC	BOB	HDFC Bank	YES Bank	STFC	SBI	Fed. Bank
Company Profile											
Branch Network	✓	✓	✓	✗	✓	✓	✓	✓	✓	✓	✓
Business model and strategy	✗	✓	✗	✓	✗	✓	✓	✓	✓	✗	✓
Market share	✓	✓	✓	✗	✗	✗	✗	✗	✓	✗	✗
Employee count and productivity per employee	✓	✗	✗	✓	✓	✓	✓	✓	✓	✓	✗
Discussion											
Earnings guidance	✓	✗	✗	✗	✓	✗	✓	✗	✗	✗	✗
Economic forecasts and threats	✓	✓	✗	✓	✓	✗	✓	✗	✓	✗	✗
Household income and demographics	✓	✓	✗	✓	✓	✗	✓	✗	✓	✗	✗

Should you give guidance?





About IIAS

IIAS occupies a niche space as a 'proxy-advisor'

Who we are

- IIAS, India's most respected 'proxy advisory' firm, advises institutional investors on voting on shareholder resolutions
- We help investors make value-creating decisions, and translate these decisions into portfolio performance

What we do

- We provide participants in the Indian market with independent opinions, research and data on corporate governance issues – by providing **voting recommendations** on shareholder resolutions at AGMs, EGMs, CCMs and Postal Ballots.
- We cover 300 companies: SENSEX, NIFTY, BSE200, CNX200, NIFTY Midcap, F+O, Institutional holding > 30%, and plan to increase coverage to BSE 500 companies.

Quick Facts

- IIAS has been set up in equity participation with reputed institutions including Bombay Stock Exchange, Axis Bank, Fitch Group, HDFC, ICICI Prudential Life Insurance and Tata Investment Corporation.
- IIAS was incorporated in the year 2010 and commenced operations in 3Q11
- We are led by a strong leadership team with an average experience of over 30 years in industry and finance

Voting Advisory: Objective analysis, well defined criteria

Proxy Report: AGMs, EGMs and Postal Ballots of our 300 companies

- Summary of voting recommendations
- Snapshot of financials and regulations
- Interpretation of current laws and regulations
- Discussion on governance issues
- Evaluation parameters and risks grading
- Detailed voting analysis & recommendations

Bata India Ltd.
Annual General Meeting (AGM)

Company Profile
BSE 500/INSEI: BATAINDIA
ISIN: INE178AG01010
Industry: Footwear*
Index: BSE 100 / CNX 500
Face Value: 10 per share
Mkt Price: Rs. 953.5 (15 May 2012)
Fiscal Year End: December

Meeting Details
Meeting Date: 30 May 2012, 10:30
Proxy Deadline: 23 May 2012, 10:30
Notice Date: 29 February 2012
Meeting Venue: *KALAMANDIR, 4B, Shakespeare Sarani, Kolkata - 700 017

Sl. No.	Type*	Description of resolution	IAS Recommendation
1	Ord.	Adoption of financial statements	See Analysis
2	Ord.	Declaration of dividend	FOR
3	Ord.	Re-appoint Jorge Carbajal and Jack Clemens as director	FOR
4	Ord.	Re-appoint M/s SR Bastioli & Co as auditor	AGAINST
5	Ord.	Appoint Ranjit Mathur as director	FOR
6	Ord.	Fix remuneration of Ranjit Mathur	FOR
7	Sp.	Provision for video conference facility for shareholders and directors to attend meetings	FOR

*Ordinary/Special Resolution

Financials
Particulars FY11 (Rs bn)
Net Sales 15.4
Net Worth 5.7
Eq Capital 0.6
Mkt Cap 53.7
Overseas (Rs.)
52 week IH: 887.3-374.7
Current P/E (x) 24.3
Industry P/E (x) 6.7
Current P/B (x) 9.6
Source: IIS Research

15 May 2012 Bata India Ltd. 1 | Page

Bata India Ltd.
Annual General Meeting (AGM)

Financial Performance (Standard)

Particulars (Rs except per share figures)	FY09	FY10	FY11
Total Income	16.3	33.5	40.4
EBITDA	5.6	6.9	8.6
EBITDA Margin	35.2%	24.2%	17.6%
PAT	1.5	0.5	0.1
PAT Margin	9.0%	1.7%	0.2%
EPS	8.8	2.7	0.5
ROUV	6.0%	6.0%	0.4%
ROCE	3.4%	4.3%	6.3%
Debt/EBITDA	3.4	7.9	6.0

Price Performance*

Top public shareholders

Sl. No.	Name of the Shareholder	No. of Shares held (million)	Shares as % of Total No. of Shares
1	Life Insurance Corporation of India	41.0	6.42
2	Janus Overseas Fund	36.3	5.75
3	Trustee - IIS Securities Trust	31.1	4.86
4	IDBI Bank Ltd	19.0	2.97
5	Bajaj Holdings & Investment Ltd	13.1	2.04
6	Index Overseas Bank	9.8	1.54
7	Canara Bank	9.7	1.52
8	Janus Asian Series Overseas Portfolio	7.8	1.23
9	Central Bank of India	7.4	1.17
10	Bancruis Capital Mauritius Ltd	6.8	1.07
	Total	182.5	28.55

Change in Shareholding Pattern (%)

Year	Promoter	DI	FI	Others
Mar-12	48.1%	14.9%	12.7%	26.6%
Dec-11	48.1%	13.9%	11.1%	26.9%
Sep-11	48.2%	15.0%	10.4%	26.4%
Sep-10	41.8%	8.9%	16.7%	30.6%
Sep-09	37.1%	12.4%	17.0%	33.5%
Sep-08	48.2%	13.2%	14.1%	26.6%
Sep-07	41.8%	5.9%	21.8%	30.2%

Shareholding Pattern*

30 April 2012 Bajaj Hindusthan Limited 2 | Page

Resolution 3: Re-appointment of Jorge Carbajal as director and Re-appointment of Jack Clemens as director. IAS Recommendation: FOR

Resolution 5: Appointment of Ranjit Mathur as director. IAS Recommendation: FOR

IAS evaluation parameters for board composition

Parameters	Result	Risk Level	Details
Is the chairman of the board an independent?	Yes	-	Refer table 3
Is there a separation in the roles between the Chairman and CEO?	Yes	-	
Proportion of independent directors on the board	43%	Low	Refer table 3
Proportion of non-executive directors on the board	73%	Low	Refer table 3
Is there atleast one woman director on the board?	No	-	
Does the company have policy on the retirement age of directors?	Yes	Moderate	
Does the company have policy on the tenure of directors?	Yes	-	
Do all the board committees have atleast one independent director?	Yes	-	
Is there any whistleblower policy for the independent directors?	No	Low	
		Overall	Low

Table 3: Board Composition

Sl. No.	Name of director	Director Category	Occupation	Age	Tenure (yr)	% of attendance	Other Memberships	Compensation (Rs./mo)
1	Uday Khanna	Independent	Chairman	61	6	100%	2	1.8
2	Rajeev Gopalakrishnan	Executive	Managing Director	46	1	100%	2	16.8
3	Fazliah Mohd. Hussein*	Executive	Director Finance	53	2	100%	3	16.1
4	Jorge Carbajal	Non-Executive	President, Bata Emerging Markets	57	6	80%	0	-
5	Jack Clemens	Non-Executive	CFO, Bata Shoe Organization	40	3	100%	0	-
6	Atul Singh (w.e.f 28 April 2011)	Independent	President, Coca Cola, India	51	1	100%	0	0.8
7	Ashley Chubbams (w.e.f 28 April 2011)	Independent	Advocate	42	1	75%	3	0.8

Source: Company filings and IAS research
* Fazliah Mohd. Hussein resigned from board of directors w.e.f 15 February 2011. Mr. Ranjit Mathur has been appointed as director finance w.e.f. February 25, 2012.

15 May 2012 Bata India Ltd. 7 | Page

Exhibit 1a: Companies in the Future Group

Future Group of Companies

The company has 27 subsidiaries and 17 associates

Exhibit 1b: Relative Size of Operations

Total Income FY 11 (Rs. Bn)

Company	Total Income (Rs. Bn)
Pantolon Retail	48.3
Future Capital Holdings	2.4
Future Supply Chain Solutions	2.9

PAT comparison

Company	PAT FY 11 (Rs. Bn)
Pantolon Retail	0.8
Future Capital Holdings	0.6
Future Supply Chain Solutions	0.003

Category: Issue of Securities

Resolution 1: Preferential allotment of shares to Bennett Coleman & Co. Ltd.
To issue and allot 8.1 mn equity shares at Rs. 245 per share, to Bennett Coleman and Co. Ltd.

IAS Recommendation: FOR

18 May 2012 Pantolon Retail (India) Limited 3 | Page

Voting recommendations and detailed analysis

- Listing of the agenda
- Evaluation parameters, risk analysis
- Applicable regulations snapshot
- Detailed discussion of resolutions, peer analysis and industry trends
- IIAS desirable practice
- Voting recommendations

Resolution 7: Approve re-appointment and remuneration of Arun Sawhney IIAS Recommendation: **AGAINST**

IIAS Evaluation Parameters for Managerial Remuneration

Parameter	Result	Risk Level	Details
Is the remuneration for promoter or non-promoter?	Non-Promoter	Low	Refer table 3
Is there a significant hike in remuneration from previous term/year?	Yes	High	Refer table 5
Is the remuneration commensurate with the growth in profits/operations?	No	High	Refer chart 1
Is the proposed resolution open-ended?	Yes	Moderate	Refer table 3
Is there a component of performance-linked pay in the proposed salary?	No	High	Refer table 3
Is the remuneration in line with industry peers?	No	High	Refer table 6
Does the person have the requisite qualifications?	Yes	Low	Refer Dir Profile
Has the company disclosed a clear remuneration policy to the shareholders?	No	Moderate	

IIAS Recommendation **AGAINST**

Source: Company Filings, IIAS Research

Discussion

Arun Sawhney is the MD and CEO of Ranbaxy since 2008. In the previous AGM, shareholders had approved the appointment and remuneration of Arun Sawhney for a period of 3 years with effect from August 2010. The company is again seeking shareholder approval to appoint Mr. Sawhney as MD and CEO for a period of five years and fix his remuneration for a period of three years with effect from 1 January 2012. The proposed remuneration seeks a significant hike from his previous appointment as detailed in the table below:

Table 5: Appointment terms

Terms & Conditions (in Rs. mn)	Proposed Appointment (2011 AGM)	Previous Appointment (2010 AGM)	Actual Remuneration (in 2011)
Basic Salary (minimum)	13.38	10.3	
Allowances and Perquisites	34.38	26.5	31.0
Incentive Pay	60.00	0	0
Retention Bonus*	11.00	0	0
Commission	1% of net profits	1% of net profits	0
Minimum remuneration in case of nil/inadequate profit	Yes	Yes	--
Retiral benefits	Amount not specified	Amount not specified	2.4
Stock Options	Amount not specified	Amount not specified	1.4
Total	141.1	37	54.8


*Retention bonus of Rs.33 mn to be paid after 3 years. Amount has been adjusted on annual basis

Source: IIAS research

The total remuneration would increase by almost 4 times from his previous appointment. This figure is excluding commissions, which he did not receive last year on account of the losses reported by the company. More details on the remuneration of Arun Sawhney viz. company performance and industry peers is provided below:

In-depth analysis and comments on overall performance of the company

- Comments on company performance including:
 - Financial indicators
 - Operational indicators
- Discussion on break up of revenue contribution to company:
 - By industry
 - By geography
 - By service line
- Brief on reasons for change in profitability of the company

 Voting Advisory	
Items	Discussion
Performance	<p>The company contributes roughly 10% to the total revenues of the Tata Group and its market capitalization is 37.5% of the total market capitalization of the 31 listed entities of the Tata Group (as on 14 June 2012).</p> <ul style="list-style-type: none"> • Financial indicators: The consolidated revenues of TCS increased by 31% to Rs. 488.9 bn in FY 12. In constant currency terms, revenue growth was 23.0%. Growth in PBT was 26.3%. PAT increased by 14.8% to Rs. 104.1 bn. The growth in PAT was substantially lower than the growth in PBT because of the expiry of tax holiday for Software Technology Park (STP) units on 31 March 2011. This led to an effective tax rate of 24.4% for FY 12 as against 16.6% in FY 11. In FY12, the company crossed \$ 10 bn in revenues, becoming the first Indian IT company to achieve this distinction. • Operational indicators: The company added 141 customers this financial year, taking its active customer base to 1076. Repeat business contributed 98.4 % to total revenues, up from 97.8% for FY11. The company received 52.6% of its revenues from 'Time & material' contracts, as against 50.6% in FY11. The remainder of the revenues accrued from 'Fixed price & time' contracts. • Employee indicators: Average employee utilization was 74.4%, down from 76.2% in FY11. Total employee expenses (including overseas allowances and payments for services rendered by business associates) increased by 31.9%. The increase as a percentage of revenue was marginal (0.4 percentage points) – attributable to the slightly lower utilization. The company's overall attrition rate fell from 14.4% in FY11 to 12.2% in FY12. The total number of employees as of 31 March 2012 was 238,583.
Business Segments	<p>The company considers 'industry' as its primary segment and 'geography' as its secondary segment. Industry refers to the industry of its clients. The contribution of each segment to the total revenues (Rs. 488.9 bn) is as follows:</p> <ul style="list-style-type: none"> • By industry: The revenue breakup according to industry verticals is as follows:- <ol style="list-style-type: none"> 1) Banking, Financial Services and Insurance (BFSI): 43.1% 2) Telecom, Media and Entertainment (TME): 12.7% 3) Retail & Consumer Packaged goods (CPG): 12.2% 4) Manufacturing: 7.8% 5) Others (- Life Sciences and Healthcare, - Energy, Resources and Utilities, - Travel, Transportation and Hospitality, - Hi-tech, - Others): 24.2% • By geography: The revenues breakup according to geography is as follows: <ol style="list-style-type: none"> 1) North America: 33.3% 2) UK: 13.2% 3) Continental Europe: 10.1% 4) India: 8.6% 5) Asia Pacific: 7.6% 6) Others (Latin America, Middle East and Africa): 5.2% • By service line: The revenue breakup according to service lines is as follows: <ol style="list-style-type: none"> 1) Application Development and Maintenance (ADM): 44.8% 2) Enterprise Solutions (ES): 11.1% 3) Business Process Outsourcing (BPO): 11.0% 4) IT Infrastructure Services (IT IS): 10.1% 5) Assurance Services: 7.3% 6) Engineering and Industrial Services (EIS): 4.6% 7) Business Intelligence (BI): 4.6% 8) Asset Leveraged Solutions and Consulting: 5.4%

In-depth analysis and comments on company's board structure

- Brief on structure of board including:
 - director classification
 - other memberships
 - tenure on board,
 - occupation,
 - compensation,
 - % of attendance etc.

IAS INSTITUTIONAL INVESTOR ADVISORY SERVICES

Voting Advisory

Table 2: Board composition

Sl. No	Name of director	Director Category	Occupation	Age	Tenure (yrs)	% of attendance	Other Memberships	Compensation (Rs.mn)
1	R.N. Tata (Chairman)	Non-Independent, non-executive	Chairman, Tata group	74	87	75%	10	80.1
2	S. Ramadorai (Vice-chairman)	Non-Independent, non-executive	Former CEO – TCS	67	10+	100%	14	20.1
3	Prof. C.M. Christensen	Independent	Professor at Harvard Business School	60	6	37.5%	-	5.8
4	Dr. R. Sommer	Independent	Former CEO, Deutsche Telekom	65	5	75%	1	9.4
5	L.M. Che	Independent	Member, Executive Council of Hong Kong	63	6	37.5%	-	4.0
6	A. Mehta	Independent	Former CEO, HSBC*	66	8	87.5%	5	12.1
7	Dr. V. Kallac	Independent	Economist, Former chairman - Finance Commission	70	2	75%	8	7.0
8	V. Thyagarajan	Independent	Former SVP, GlaxoSmithKline Asia-Pacific	65	6	100%	1	9.6
9	N. Chandrasekaran	Executive	CEO and MD – TCS	49	4	100%	4	6.0
10	S. Mahalingam	Executive	CFO – TCS	64	4	100%	4	3.5
11	L. Hussain	Non-Independent, Non-executive	CFO, Tata Sons	65	13	100%	13	0.2
12	P. Vindrola	Non-Independent, non-executive	Vice-Chairman and MD, Diligenta – a 100% subsidiary of TCS	59	4	100%	2	.1
13	O.P. Bhatt	Independent	Former Chairman, IIFL	61	N.A	N.A	2	N.A
14	C.P. Mistry	Non-Independent, non-executive	Chairman-designate, Tata group	43	N.A	N.A	5	N.A

Seeking reappointment Seeking appointment
 Seeking retirement

- Detailed discussion and IAS commentary on directors being (re)appointed.

IAS INSTITUTIONAL INVESTOR ADVISORY SERVICES

Voting Advisory

Table 3: Proposed Appointments – IAS Checklist

IAS Director Checklist	Prof. C.M. Christensen	Dr. R. Sommer	S. Ramadorai	O.P. Bhatt	C. P. Mistry
Category of Appointment	Independent	Independent	Non-executive	Independent	Non-executive, non-Independent
IAS Director Classification	Independent	Independent	Non-Executive	Independent	Non-executive, non-Independent
Tenure	✓	✓	✓	N.A	N.A
Attendance	X	✓	✓	N.A	N.A
Other Affiliations	✓	✓	X	✓	✓
Shares Held**	✓	✓	✓	✓	✓
Compensation*	✓	✓	✓	Not Specified	Not Specified
Qualification**	✓	✓	✓	✓	✓
IAS Recommendation	FOR	FOR	FOR	FOR	FOR

*None of the directors hold any stock option as on 31 March 2012.
 **Refer Director Profile section

- Forthcoming shareholder meetings:
 - BSE/NSE Scrip IDs
 - Date of meeting
 - Name of company
 - Shareholding meeting type
 - Full text of resolution
 - IIAS Recommendations
 - Outcome of the shareholder meetings.

The screenshot shows the IIAS website interface. At the top right, there are social media icons for Twitter and LinkedIn, and a 'Subscribe' button. The main header includes the IIAS logo and the text 'INSTITUTIONAL INVESTOR ADVISORY SERVICES'. Below the header is a navigation menu with links for Home, About us, Media, Debate & Discuss, Institutional EYE, and Contact us.

The main content area is titled 'Notices, Outcomes and IIAS Recommendations'. It features a search form with the following fields:

- Company Name: A text input field with a search icon.
- Meeting Type: A dropdown menu labeled 'Select Type'.
- From Date: A date picker.
- To Date: A date picker.
- Recommendations: A checkbox.
- Outcome: A checkbox.

 Below the search form are 'Search' and 'Reset' buttons.

Below the search form is a table with the following columns: BSE ID, NSE ID, Company Name, Date, Meeting Type, Recommendations, and Outcome. The table contains 12 rows of data:

BSE ID	NSE ID	Company Name	Date	Meeting Type	Recommendations	Outcome
UNITDSPR	MCDOWELL-N-EQ	UNITED SPIRITS LTD	20 Jan 2012	EGM		
UNITDPHOS	UNIPHOS	UNITED PHOSPHORUS LTD	13 Mar 2012	Postal Ballot		-
UNITDBREW	UBL-EQ	UNITED BREWERIES LTD	21 Dec 2011	AGM		-
TORNTPOWR	TORNTPOWER-EQ	TORRENT POWER LTD	14 Mar 2012	Postal Ballot		-
TATASTL	TATASTEEL	TATA STEEL LTD	03 Apr 2012	Postal Ballot		
SBI	SBIN	STATE BANK OF INDIA	19 Mar 2012	EGM		
SPICEJET		SPICEJET LTD	04 Apr 2012	Postal Ballot		
SKF	SKFINDIA	SKF INDIA LTD	17 Apr 2012	AGM		
SIEMENS	SIEMENS-EQ	SIEMENS LTD	13 Feb 2012	CGM		-
SIEMENS	SIEMENS-EQ	SIEMENS LTD	31 Jan 2012	AGM		
SHIVVANI	SHIV-VANI	SHIV-VANI OIL & GAS EXPLORATION SERVICES LTD	17 Apr 2012	Postal Ballot		

- Topical comments
- Commentary across companies
- Objective analysis
- Research with impact



Blog
Institutional EYE
4 August 2011

Owning your cake and eating it too
Resolution to re-appoint Sunil Bharti Mittal

Bharti Airtel has sought to re-appoint Sunil Bharti Mittal as its managing director for a further period of five years.

Regarding his compensation, it is proposed that the HR Committee of the board shall decide on Mr. Mittal's remuneration, within the following parameters:

- a fixed compensation, maximum
- annual performance linked bonus
- perquisites, that shall not exceed

As regards minimum remuneration, if profits are inadequate, the company is subject to Schedule XIII of the Companies Act, 2013.

Based on the resolution it is difficult to say at least as much as he received. Compensation can be as high as Rs 700 million.

The HR Remuneration committee, with members: Lord Evin Mervyn Davies, Rajan Bharti Mittal (- his brother), Nikesh Arora, HE Dr Salim Ahmed Salim, Mr Tann-yan Hsieh, Mr Hui Wang Cheong.

They will also be approving his annual bonus. Given the very wide range within of the HR Committee recommend the company's interest that the board an alternative? Profit levels and ratios? rewarded only if the share-price increase -Rs 150 m to Rs 275 m over the period. It has done better, but it has not and the method of arriving at this number.

Worryingly this also is an 'ambush' resolution been proposed? Looking at the performance of Mansj Kothli, the company's next is already one of India's highest paid telecom CEOs, netting off for stock. resolution, he is soon set to be the highest salary cheque.

Other than the lack of clarity regarding the nature of the resolution: this is far too mid cap companies and those under investors.

Second, to take a call for the next five years. And this leads to the third issue: Should the amount be voted every year? periodicity of such resolutions, company. Bharti is not alone in handing its own longer happy just owning the cake. amit.fandora@iias.in

IIAS is an advisory firm dealing with opinions, research and data on



Blog
Institutional EYE
11 September 2011

Everonn needs you Dr Irani

Recently, Everonn Education director Padmanabhan Kishore widely reported that the bribe income. With its founder believed value in three trading sessions investors woes, within three days leading to further erosion in company value.

As the law does not distinguish between comes to determining penalties be thinking that any CEO who cooked his books. As there is to dive in. So Dr Irani will be this is set to change under the non-executive directors; give directors risk being harassed of Everonn's shareholders?

At this stage let me digress. I Basham learned that Solomon trying to corner the government purchase more treasury bond department was that when the Gutfreund, Solomon's CEO, enough to want to shut down Solomon, met with treasury department Chairman for a while to help 290 million for stepping over enough to be sold to Travellers.

Closer both home and time, Ministry of Corporate Affairs which was tasked with digging the company bleeding employment much credibility into Satyam was able to find a buyer.



Blog
Institutional EYE
19 August 2011

Piramal Healthcare: What's the NAV ?

The feeble share price performance suggests Piramal needs to be more open about its strategy. If it is not going to remain in the healthcare sector it has to return cash to its investors.

Those putting money in Piramal Healthcare Ltd (PHL) (PIRAMALHE/PIRLIFE) invested in a healthcare company. The company's business was steadily built by Piramal acquiring the Indian business of multinational drug companies, and selling an ever wider range of products, in a rapidly growing domestic market. In September 2010, the company sold its formulations business to Abbott Laboratories for Rs 177 billion (US\$ 128 mn). Just before this sale, Piramal had exited its diagnostics business for INR 6 bn (US\$ 128 mn). In FY10, the formulations business had sales of INR 19.7 bn, and the diagnostics business reported sales of about Rs 2 bn.

The Board chose to do a 'slump sale' of the formulations business – rather than demerging, and selling shares. This could well be because Abbot wanted the entire formulations business and not just a part (- albeit a majority). Had it demerged the business and allotted shares in the demerged business to existing shareholders, these shareholders would have had the choice of whether or not to tender in their shares to Abbot; those selling could have cash in their pockets. This would also have been more tax efficient - creating more value for shareholders. Given the transaction structure, cash stayed with the company - under the company management's direct control.

Last week PHL announced buying a minority stake in Vodafone Essar (- a telecom company). PHL may have been promised an undisclosed fixed return on exit or through an IPO or both, but there is absolutely no disclosure regarding this aspect in any of its filings. Recent newspaper reports have hinted that the company intends buying minority stakes in a number of companies, its annual report mentions that it will take a deep dive into financial services and reality. This strategy reflects the managements' innate confidence in its ability to continue to spot winners and exit current and future businesses at benchmark valuations – in a sense no different from 'Midas' touch that PE funds claim they possess. But what

Other products

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- Governance index
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- Vote aggregation
- Regulatory filings
- Voting criterion development

Snapshot of Governance Score criteria

S. No	Type Of Resolution	Resolution Category	Resolution Sub-Category	Score
23	ORDINARY	Issue of Securities	To approve increase in the authorised capital and alteration of memorandum of association	5
24	ORDINARY	Issue of Securities	To alter the Memorandum of Association (for increase in authorised share capital)	5
25	SPECIAL	Issue of Securities	To alter the Articles of Association (for increase in authorised share capital)	5
26	SPECIAL	Issue of Securities	Approve issue of equity shares or warrants on preferential basis	-10
27	SPECIAL	Issue of Securities	Approve issue FCCBs (with or without green shoe option)	-5
28	SPECIAL	Issue of Securities	Issue of Equity Shares and other convertible securities through Qualified Institutional placement	5
29	SPECIAL	Issue of Securities	To issue convertible securities	5
30	ORDINARY	Issue of Securities	Approve borrowing of funds through ECBs (External Commercial Borrowings)	0
31	SPECIAL	Issue of Securities	Approve modification to Employee Stock Option Scheme (ESOS)	0
32	SPECIAL	Issue of Securities	Authorise Board to grant ESOS to permanent employees	0
33	SPECIAL	Issue of Securities	Authorise Board to grant ESOS to directors and employees of holding and subsidiary company	0
34	SPECIAL	Issue of Securities	Issue of convertible warrants on preferential basis to one of the promoters	-10
35	SPECIAL	Issue of Securities	issue of shares with differential voting rights as to voting or dividend or other wise under sub-clause (ii) of clause (a) of section 86	-5

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Introduction

IIAS is an advisory firm dedicated to providing participants in the Indian market with independent opinions, research and data on corporate governance issues.

It helps investors make value-creating decisions, and the translation of these decisions into portfolio performance.

Your vote has a value

Notices, Outcomes and IIAS Recommendations							
	BSE Scrip ID	NSE Scrip ID	Company Name	Date	Meeting Type	Reco	Outcome
II Item Committee Report							
Kumar Mangalam Committee	BPCL	BPCL-EQ	Bharat Petroleum Corporation Ltd.	25 Jan 12	-	-	-
SEBI	NELCO	NELCO-EQ	Nelco Limited	24 Jan 12	AGM	-	-
Companies Act, 1956	ALFATRAN		Alfa Transformers Limited	23 Jan 12	EGM	-	-
Ministry of Corporate Affairs	UNITDSR	MCDOWELL-H-EQ	United Spirits Limited	20 Jan 12	EGM	-	-
	ROHITFERRO	ROHITFERRO-EQ	Rohit Ferro-Tech Limited	19 Jan 12	EGM	-	-
	ASAL	ASAL-EQ	Automotive Stampings & Assemblies Ltd.	19 Jan 12	Postal Ballot	-	-
	SURAJDAMO	SURAJDAMO-EQ	Su-Raj Diamonds & Jewellery Ltd.	18 Jan 12	EGM	-	-

Helping investors translate value-creating decisions into portfolio performance