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PRESS RELEASE

BOARD CHANGES RESOLUTIONS HIGHEST; INCREASING SHAREHOLDER ACTIVISM: WWW.NSEINFOBASE.COM - DEVELOPED & POWERED BY PRIME DATABASE

This analysis is based on **2,230 AGMs, EGMs, Postal Ballots and Court Convened Meetings** conducted by **1,447 NSE listed companies** in calendar year 2014.

It is for the first time that any analysis has been done on all listed companies rather than a sample of top 100, 200 or 500 companies. Moreover, while other studies have only focused only on voting by domestic Mutual Funds, this research covers voting by all public shareholders- institutional or otherwise.

NUMBER OF RESOLUTIONS

17,180 resolutions were passed in AGMs, EGMs, Postal Ballots and Court Convened Meetings of 1,447 companies in calendar year 2014, translating into an average of **11.87 resolutions per event**.

TYPE OF RESOLUTIONS

Most number of resolutions related to '**Board Changes**' at a staggering 8,210. Other top resolutions, by number, were as follows:

Resolutions	No. of Resolutions
Board Changes	8,210
Auditors	2,071
Financial Results	1,443
Board Remuneration	1,152
Investment/ Loan Limit	1,080
Key Management Persons	1,009
Dividend	862
Memorandum & Articles of Association	695
Memorandum of Understanding/ Agreements	322
Capital Issue	243

ANALYSIS OF RESOLUTIONS VOTED FOR/AGAINST

2014 saw several resolutions which were either completely voted against or even if they were passed, the public shareholders voted against them in a significant manner. A large part of this can be attributed to e-voting being made mandatory.

The number of resolutions which were voted against in the year 2014 was 41. Of these, 6 were re-proposed to be passed, all of which did eventually get passed.

Of the resolutions which were voted against, the maximum pertained to resolutions relating to 'Board Changes' at 16 followed by 'Memorandum of Understanding/ Agreements' at 13.

Cases where more than 50 per cent of Institutional Shareholders voted against but which still were passed

In all, there were 448 resolutions where institutional shareholders voted against the resolution (50 per cent or more of their votes were against the resolution). Of these

448 resolutions though, 443 still got passed.

Notable among these, **for companies belonging to CNX Nifty**, were the following:

Company	Resolution	% age of votes by institutional shareholders against resolution
Ambuja Cements Ltd.	Remuneration paid to a Non-Executive Director, Mr.B.L.Taparia, for other services rendered	58
Cipla Ltd.	Appointment of Mr.S.Radhakrishnan and Mr.V.C.Kotwal	76 & 64 respectively
DLF Ltd.	Appointment of Ms.Pia Singh, Mr.Mohit Gujral and Mr.Rajeev Talwar	86, 76 & 75 respectively
DLF Ltd.	Investment/ Loan Limits	98
Gail (India) Ltd.	Appointment of Mr.Prabhat Singh, Mr.P.K.Singh and Dr.Ashutosh Karnatak	64,60 & 64 respectively
Gail (India) Ltd.	Remuneration to Wholetime Directors	67
HCL Technologies Ltd.	Appointment of Dr.Sosale Shankara Sastry	61
HCL Technologies Ltd.	Memorandum & Articles Of Association	76
Indusind Bank Ltd.	Appointment of Mr.Ashok Kini	62
Jindal Steel & Power Ltd.	Appointment of Mr.Hargrieve Khaitan, Mr.Ratan Jindal, Ms.Shallu Jindal and Mr.Rajagopal	77, 77, 72 & 74 respectively
Jindal Steel & Power Ltd.	Investment/ Loan Limit	70
Sesa Sterlite Ltd.	Appointment of Deloitte as Auditors	53
Sesa Sterlite Ltd.	Commission to Independent Directors	55
Sun Pharmaceutical Industries Ltd.	Investment/ Loan Limit	59
Sun Pharmaceutical Industries Ltd.	Contribution to charitable funds	53
Tata Consultancy Services Ltd.	Appointment of Prof. Clayton M. Christensen	70

ORDINARY VS SPECIAL RESOLUTIONS:

The number of ordinary resolutions was 11,998 while the number of special resolutions was 5,333.

BREAK-UP BY SHAREHOLDER TYPE (PROMOTER, PUBLIC - INSTITUTIONAL & PUBLIC - OTHERS)

Almost all resolutions were voted in favour by Promoters. **Out of 12,730 resolutions, where voting details are available, only in 12 cases did the Promoters vote against the resolution (greater than 50 per cent). All 12 resolutions did not get passed.**

As far as **Institutional Shareholders** are concerned, **out of 11,096 resolutions where voting details are available, they voted against the same (greater than 50 per cent) in 448 cases. However, 443 out of the 448 resolutions still got passed.**

As far as **other Public Shareholders** are concerned, **out of 12,902 resolutions, where voting details are available, they voted against the same (greater than 50 per cent) in 318 cases. However, again, 228 out of these 318 resolutions still got passed.**

SCHEDULING OF AGMS

The maximum number of AGMs took place on 30th September 2014. As always, bulk of the AGMs happened in September, especially the last 1 week of September.

The month-wise distribution is as follows:

Month	No.of AGMs
Jan-14	3
Feb-14	8
Mar-14	14
Apr-14	19
May-14	17
Jun-14	58
Jul-14	196
Aug-14	256
Sep-14	827
Oct-14	2
Nov-14	11
Dec-14	37