

# Proxy Advisory Report (Addendum)

## Prestige Estates Projects Ltd

COMPANY INFORMATION	MEETING DETAILS	E-VOTING DETAILS
<b>BSE CODE:</b> 533274 <b>NSE SYMBOL:</b> PRESTIGE <b>ISIN:</b> INE811K01011 <b>Industry:</b> Realty <b>Email:</b> <a href="mailto:investors@prestigeconstructions.com">investors@prestigeconstructions.com</a> <b>Phone:</b> +91 80 2559 1080 <b>Registered Office:</b> Prestige Falcon Tower, No. 19, Brunton Road, Bengaluru - 560 025	<b>Meeting Type:</b> AGM <b>Meeting Date:</b> 27 <sup>th</sup> September, 2021 at 12 Noon <b>Venue:</b> Video Conferencing (VC) / Other Audio Visual Means (OAVM) <b>Notice Date:</b> 8 <sup>th</sup> June, 2021 <b>Addendum to Notice Date:</b> 10 <sup>th</sup> August, 2021 <b>Notice &amp; Addendum to Notice:</b> <a href="#">Click here</a> <b>Annual Report:</b> <a href="#">FY 2020-21</a> <b>SES PA Report (2021):</b> <a href="#">Report</a>	<b>e-Voting Platform:</b> <a href="#">CDSL</a> <b>Cutoff Date:</b> 20 <sup>th</sup> September, 2021 <b>Remote E-voting</b> <b>Start:</b> 24 <sup>th</sup> September, 2021 <b>Ends:</b> 26 <sup>th</sup> September, 2021

RESEARCH ANALYST: HEMANT VAISHNAV

This Addendum is issued based on an emails dated 14<sup>th</sup> September, 2021 and 15<sup>th</sup> September, 2021 received by SES from Prestige Estates Projects Ltd ('the Company'), (reproduced in *verbatim* at the at the end of this addendum) w.r.t. Proxy Advisory Report (PA report) issued by SES on 14<sup>th</sup> September, 2021 in relation to the upcoming AGM of the Company to be held on 27<sup>th</sup> September, 2021.

### BACKGROUND

SES, as per its Policy, had mailed its PA Report to the Company relating to its AGM on 14<sup>th</sup> September, 2021 to all its clients along with the Company.

Post release of PA Report, SES received 2 emails from the Company on 14<sup>th</sup> September, 2021 and 15<sup>th</sup> September, 2021. The Company sent an email providing its view point, which is reproduced hereinbelow in **blue text** along with the SES Response (**in black**).

### SES COMMENT ON COMPANY RESPONSE

#### **Resolution 2:**

*Email Dated 14<sup>th</sup> September, 2021:*

*As discussed, the financials statements of the subsidiaries of the Company are placed under the downloads section in website of the Company.*

*The same can be accessed in the below link:*

<https://www.prestigeconstructions.com/investors-overview/>

*Request you to kindly consider this in your report.*

*Email Dated 15<sup>th</sup> September, 2021:*

- 1) Due to some technical error, Financial statements of subsidiaries for year ended 31.03.2021 were not visible on website. The same has been sorted out now. Please recheck*

**SES Comments:** Shareholders may note that SES had raised a compliance concern regarding the non-disclosure of financial statements of subsidiaries for the FY 2020-21 on the website of the Company which is required as per the Companies Act, 2013 and the SEBI LODR Regulations.



The Company's webpage which hosts the *financials* of its subsidiaries; lacked in disclosing the subsidiary financials for FY 2020-21 as on 12<sup>th</sup> September, 2021.

Since, the Company has **now** uploaded the same on its website, the concern raised by SES stands addressed and having said that, the Company must endeavour to upload the same as soon as possible but not later than 21 days prior to the date of the AGM.

**Resolution 3:**

2) *Mr. Irfan Razack is retiring by rotation as per Section 152 of the Companies Act, 2013 and he is eligible for reappointment as Director. Members consent is sought for the same.*

*Further Mr. Irfan Razack was appointed as Chairman & Managing Director for five years on September 30, 2019. However as per amendment, his Chairman and Managing Director roles would be separated before 01<sup>st</sup> April, 2022.*

**SES Comments:** Although, Mr. Irfan Razack is proposed to be reappointment as a director liable to retire by rotation, However, SES as a policy raises concern for directors holding combined position of Chairman and Managing /Executive Director. SES is of the opinion; good governance demands initiating right practices even before the same are translated into law. Therefore, SES has raised governance concern.

**COMPANY'S EMAIL DATED 14<sup>TH</sup> SEPTEMBER, 2021 & 15<sup>TH</sup> SEPTEMBER, 2021****Email 14<sup>th</sup> September, 2021**

*Dear xxx,*

*As discussed, the financials statements of the subsidiaries of the Company are placed under the downloads section in website of the Company.*

*The same can be accessed in the below link:*

*<https://www.prestigeconstructions.com/investors-overview/>*

*Request you to kindly consider this in your report.*

*Regards,*

*Prestige team*

**Email 15<sup>th</sup> September, 2021**

*Dear XXX,*

*We have gone through the report. We have couple of comments on the same –*

1. *Due to some technical error, Financial statements of subsidiaries for year ended 31.03.2021 were not visible on website. The same has been sorted out now. Please recheck.*

2. *Mr. Irfan Razack is retiring by rotation as per Section 152 of the Companies Act, 2013 and he is eligible for reappointment as Director. Members consent is sought for the same.*

*Further Mr. Irfan Razack was appointed as Chairman & Managing Director for five years on September 30, 2019. However as per amendment, his Chairman and Managing Director roles would be separated before 01st April, 2022.*

*For your information please. We would be glad to provide any further information required in this regard.*

*Thanks & Regards*

*Xxx*



**Disclaimer****Sources**

Only publicly available data has been used while making the report. Our data sources include Notice of Shareholders' Meeting, BSE, NSE, SEBI, Capitaline, MCA, Moneycontrol, Businessweek, Reuters, Annual Reports, IPO Documents and Company Website.

**Analyst Certification**

The Analyst(s) involved in development of this Report certify that no part of the Research Analyst's compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed by the Research Analyst(s) in this Report. The concerned Research Analyst(s) and Director(s) do not have any pecuniary relationship with the Reported Company, except that they may be holding miniscule shares in the Company which does not impact their independence in respect of this Report.

SES may be a shareholder in the Company holding equity shares as disclosed on its [website](#). The objective of SES' investment is solely to obtain Shareholders' communications from the Company as a shareholder.

**CAUTIONARY STATEMENT**

The recommendations made by SES are based on publicly available information and conform to SES's stated Proxy-Advisory Guidelines. SES opinion is based on SES's interpretation of law and governance benchmarks, which may differ from opinion/ benchmarks of other analysts or practitioners. Further, SES analysis is recommendatory in nature and reflects how SES would have voted if it was a shareholder. Therefore, SES expects that the clients will evaluate the effect of their vote on their investments independently and diligently and will vote accordingly. Subscribers may also carry out an impact analysis of their votes and keep the same as an addendum for their records. In our opinion, Institutional investors are positioned significantly differently from other shareholders due to their ability to engage the board and the management to bring out desired result. As a firm, it is our endeavour to improve the level of corporate governance while not causing any disruption in company's proceedings and therefore we respect the independence of investors to choose alternate methods to achieve similar results.

**Disclaimer**

While SES has made every effort, and has exercised due skill, care and diligence in compiling this report based on publicly available information, it neither guarantees its accuracy, completeness or usefulness, nor assumes any liability whatsoever for any consequence from its use. This report does not have any approval, express or implied, from any authority, nor is it required to have such approval. The users are strongly advised to exercise due diligence while using this report.

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All disputes shall be subject to jurisdiction of High Court of Bombay, Mumbai.

**Concern terminology**

**NC – Compliance Concern:** The Company has not met statutory compliance requirements

**FC – Fairness Concern:** The Company has proposed steps which may lead to undue advantage to a particular class of shareholders and can have adverse impact on non-controlling shareholders including minority shareholders

**GC – Governance Concern:** SES questions the governance practices of the Company. The Company may have complied with the statutory requirements in letter. However, SES finds governance issues as per its standards.

**TC - Disclosures & Transparency Concern:** The Company has not made adequate disclosures necessary for shareholders to make an informed decision. The Company has intentionally or unintentionally kept the shareholders in dark.

**Company Information**

Stakeholders Empowerment Services

SEBI Reg. No. INH000000016

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