

Shareholder activism on the rise

Compiled by **Kumar Shankar Roy**, bl. research bureau

Shareholder meetings in FY23 saw a surge in advocacy by institutional shareholders who made their voices heard by voting against several resolutions proposed by management. The number of resolutions where more than 20 per cent of institutional shareholders expressed their dissent increased by 44 per cent to 1833 in 2022-23 in companies listed on NSE (main board), according to a primeinfobase.com report. Here are charts that give more insights.

Institutional shareholders **Other public shareholders**

Institutions make their voice heard...



...but promoters eventually prevail

No. of resolutions voted against (<20 per cent)



Flexing muscle against related party transactions (FY23)

No. of RPT resolutions



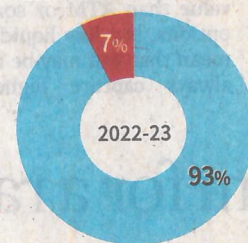
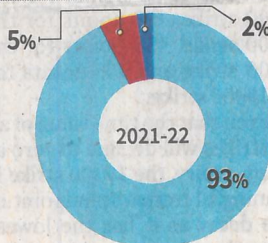
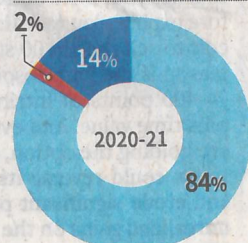
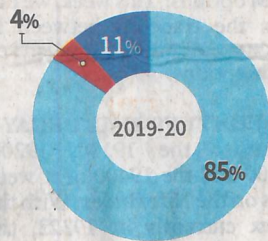
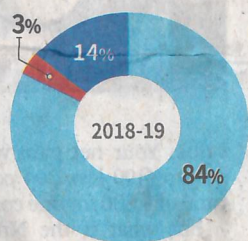
Resolutions voted against by more than 20 per cent of institutional investors



RPT: Related Party Transaction

Mutual funds mostly say 'I do'

Resolution related voting



(% share)

- For
- Against
- Abstain

#SEBI made it mandatory for MFs to vote on all resolutions with effect from April 1, 2022