

# Institutional shareholders vote against 17% resolutions in H1

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Shareholder resolutions on all NSE-listed companies where more than 20 per cent of institutional shareholders expressed their dissent by casting a negative vote plateaued at 1,498 in the first half of this financial year, according to primeinfobase.com.

This is 17.36 per cent of the 8,628 resolutions for which voting details of institutional shareholders is available. The figure stood at 1,492 in the same period last year.

For Nifty 50 companies, such negative votes decreased to 44 in the six months to September from 63 in the same period last year.

Like in previous years, the most number of such resolutions not voted in favour by institutional investors related to board changes and remuneration.

According to Pranav Haldea, Managing Director, PRIME Database Group, this is an encouraging sign as it shows that companies have finally started taking cognizance of minority shareholders' interests and are engaging with investors to understand their concerns prior to proposing resolutions.

Of the above-mentioned 1,498 resolutions, though, 1,445, or 96 per cent, still passed, mostly owing to high promoter holding in the companies.

Overall, a total of 12,547 resolutions were proposed to be passed in 2,515 shareholder meetings of 1,882 companies listed on NSE in the first half of the fiscal. This compares with 13,228 resolutions in 1,789 companies in the same period last year, a decrease of 5 per cent. As many as 861 resolutions pertaining to related party transactions were proposed in the first half of this year, slightly more than the 838 such resolutions last year.