

Press Release: For Immediate Circulation

CimplifyFive releases its report on
Effectiveness of Virtual AGM, 2020, a study of the Nifty 50 Companies
Report Identifies higher public participation & higher public shareholders voting compared to 2019

February 17, 2021, Bangalore: CimplifyFive Corporate Secretarial Services Pvt Ltd (CimplifyFive), a pioneer in offering research and technology-based solutions for compliance with the Companies Act 2013, today announced the release of its report '**Effectiveness of Virtual AGM, 2020**', a study of shareholder participation in the 2020 AGMs of the Nifty50 companies as disclosed in their Scrutinisers Report and disclosures to the stock exchange under SEBI's LODR Regulation 44 (3).

Shankar Jaganathan, Founder & Chief Executive of CimplifyFive releasing the report said, "The Covid-19 pandemic and the resultant lockdown led to the regulators permitting Virtual AGMs for Corporate India in 2020. While the attendance of shareholders in these meetings showed mixed results across the Nifty 50 companies, average voting percentage by public shareholders increased by 3.6%. We believe Virtual AGM is a step in the right direction in promoting public shareholder attendance and voting by making it location agnostic. We recommend from 2021, Virtual AGMs be mandated for all companies, to ensure transparency & good corporate governance by promoting greater shareholder participation."

Our report, **Effectiveness of Virtual AGM, 2020** analyses the key data points reported by the Nifty 50 companies on AGM covering the schedule, duration, number of shareholders, change in shareholding between promoters, institutional holders and the public, attendance and voting across the three segments of shareholders.

The top three key findings of the reports are:

- **Increase in public shareholders participation:**
 - The average shareholder attendance across Nifty 50 Companies in the AGM increased 6x, i.e. six time compared to 2019. Most of this increase was in Reliance Industries, where 307,582 shareholders participated in 2020 compared to 1190 in 2019. Excluding Reliance Industries, the attendance declined by 71% in 2020.
 - Despite the decline in attendance, voting by public shareholders increased by 3.6% compared to 2019.
- **Institutional shareholding increase:**
 - Institutional Shareholders increased their shareholding by 1.2% across Nifty 50 companies, at the cost of both promoters and public shareholders.
- **Increase in shareholder:**
 - There was a 37% increase in the average number of shareholders across the Nifty 50 companies in 2020 compared to 2019 as on the cut-off date for e-voting.

The full report can be accessed and downloaded at www.cimplifyfive.com.

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About CimplifyFive

CimplifyFive Corporate Secretarial Services Private Limited is a pioneer in offering research and technology-based solutions for compliance with the Companies Act, 2013. Under the brand name of **BLISS** (Board Leaders Integrated Software Solution), CimplifyFive offers a range of automation and risk management SaaS solutions for listed and unlisted companies to eliminate procedural non-compliance for compliances stipulated by the SEBI regulations and the Indian Companies Act, 2013. More details about the company and its product BLISS can be obtained from www.cimplifyfive.com.

CimplifyFive also provides a free to use website www.ca2013.com and an android app **CAIRR+** that provides an integrated view of the Companies Act, IB code and SEBI's regulations at one's fingertips. Hypertexts are used to integrate rules, notifications, orders and circulars with the Act and provides real time, online access to these laws/regulations as it stands on that day. This site has more than 10 million page views, clocking a million page view every 100 days.

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