E-Voting Mechanisms for Remote Shareholders Meetings

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E-Voting

Voting through an electronic system where shareholders can cast their vote on resolutions of companies as per extant rules and regulations without having the necessity of sending their votes through post or being physically present.

Legal provisions related to e-Voting?

- Importance of broad-based shareholder participation
- The Ministry of Corporate Affairs (MCA) introduced the concept of voting through electronic mode.
- Exercise right to vote in a confidential and secure manner.
Road Map of e-Voting system of NSDL

- May 2, 2011: MCA Authorized NSDL for providing e-Voting facility
- July 1, 2011: NSDL developed e-Voting
- January 19, 2012: NSDL obtained STQC Certificate from STQC Directorate, DOT
- January 25, 2012: E-Voting Homepage launched by SEBI Chairman
- June 29, 2015: Tablet e-Voting commenced by NSDL
- June 11, 2018: e-Voting Web Cast & Web Check In commenced by NSDL
## Major types of shareholder meetings in India

<table>
<thead>
<tr>
<th></th>
<th>AGM</th>
<th>EGM</th>
<th>Postal Ballot</th>
<th>CCM</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Business type</strong></td>
<td>Ordinary / Special</td>
<td>Special</td>
<td>Special</td>
<td>Special</td>
</tr>
<tr>
<td><strong>Type of resolutions passed</strong></td>
<td>Ordinary / special</td>
<td>Ordinary / special</td>
<td>Ordinary / special</td>
<td>Special</td>
</tr>
<tr>
<td><strong>Periodicity</strong></td>
<td>Annual</td>
<td>Need basis</td>
<td>Need basis</td>
<td>Need basis</td>
</tr>
<tr>
<td><strong>Called by</strong></td>
<td>Company</td>
<td>Company / Shareholders</td>
<td>Company</td>
<td>Court / National Company Law Tribunal</td>
</tr>
<tr>
<td><strong>Mode of voting</strong></td>
<td>Poll / e-voting</td>
<td>Poll / e-voting</td>
<td>Ballot paper / e-Voting</td>
<td>Poll / e-Voting</td>
</tr>
</tbody>
</table>
Features of e-Voting

- User friendly & fully secured interface for all users
- User ID and password are encrypted
- OTP based login
- SMS alert to shareholders after voting.
- Single login ID
- NSDL App or IDeAS facility also for e-Voting
- Online facility update mobile number and email address on the NSDL e-Voting platform
- Smart dashboard for shareholder’s.
Key Service offerings

- **Remote e-Voting**
- Postal ballots
- General Meetings
- Shareholders Director’s Elections of Banks
- Court Convened Meetings
- **Tablet Based voting**
- At the venue of General Meetings

- **e-Notices**
  - Facility provided to send the Annual Report/Notice/any other communications to its shareholders on their e-mail id
  - Dispensation of requirement to send annual report/notice in physical form which makes it cost effective

- **Live Video Streaming/Webcast/Video conferencing of General Meeting**
  - SEBI has mandated compulsorily webcast of AGMs across Top 100 companies from April 1, 2019 onwards.
  - MCA allowed to hold General Meeting through VC
  - Wider participation of shareholders
  - Secured login credentials on e-Voting website of NSDL
  - Convenient to shareholders
How Does e-Voting Work?

- Occasion identification
- Determine share holders eligibility
- Informing the shareholders
- Selection of E-voting service provider
- Communication to shareholders
- Appoint an independent scrutiniser
- Grievance redressal related to e-Voting
- Creation of EVEN
- Access to E-voting system by shareholders
- Collation of votes by scrutiniser
- Announcement of results
Entities accessing e-Voting system

- Issuers / Clubs / Associations
- www.eVoting.nsdl.com
- Registrar & Transfer Agents
- Scrutinizer
- Shareholder/Custodian (Voter)
Business during COVID–19

- The Ministry of Corporate Affairs (MCA), India, recently issued circular with reference to physical attendance of the Members to the EGM/AGM venue is not required and annual general meeting (AGM) be held through video conferencing (VC) or other audio visual means (OAVM).

- Requisites for EGM/AGM through VC/OAVM:
  - Recording of transcript
  - Convenience of people
  - Facility for questions by members
  - Facility of remote e-Voting
  - Attendance by VC/OVAM

- NSDL is the first to create a fully functional service as per MCA guidelines
Thank you