



## SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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NEW CORPORATE LAWS TREATISE

# Background

- Earlier in 2014 SEBI came out with draft of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2014 and invited public comments
- SEBI notified SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**LODR**”) on September 2, 2015
- LODR consolidated the provisions contained in different listing agreements viz Equity Listing Agreement, listing agreement for listing on SME Exchange, LA for listing IDR, LA for listing of Debt Securities, LA for Securitised Debt Instruments and provisions of SEBI (ICDR) Regulations
- LODR to be effective from 90<sup>th</sup> day of their publication i.e. December 1, 2015

## Following two provisions is effective with immediate effect:

<b>23(4)</b>	Ordinary resolution required instead of a special resolution for all material related party transactions
<b>31A</b>	Reclassification of promoters as public shareholders under various circumstances

- With the LODR Regulations, the current listing agreement is substituted by simple and short Listing Agreement (**R 19A of LODR and R 109 of ICDR** )

# Background

- The new Regulations have greater statutory force and non-compliance would lead to violation of Securities Laws and consequential penal provisions would be applicable
- Violation of Listing Agreement is covered under section 23E of SCRA with penalty upto Rs 25 Crores
- As per Section 2 (52) of the Companies Act, 2013, listed company means a company which has any of its securities listed on any recognized stock exchange.
- This means that if a private limited company has its debt securities listed on any recognized stock exchange, then such company is under the ambit of listed company category for complying with the Companies Act, 2013 and the rules and regulations made thereunder
- In Listing Regulations 2015, the term '**listed entity**' is used instead of 'listed company' to cover even the entities which are "**body corporate**" (governed by relevant statutes)
- SEBI LODR Regulations

**Note: This presentation is limited to provisions applicable to specified securities under SEBI (LODR) Regulations, 2015**

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IX	Amendments to other Regulations

# Approval/ Intimation Requirement under LODR

Regulation	Approval/ Intimation Requirement	Event/ Transaction
24(5), 24(6)	<b>Shareholders of parent company</b>	Reduction in shareholding & selling/disposing/ leasing of assets
23(4)	<b>Shareholders</b>	Material related party transactions
9, 17(3) to 17(5), 17(6)(a)	<b>Board of Directors</b>	<ul style="list-style-type: none"> <li>▪ Policy for preservation of documents</li> <li>▪ Review of compliances</li> <li>▪ Plans for succession for appointment to the Board &amp; senior management</li> <li>▪ Laying down of code of conduct</li> <li>▪ Recommend fees or compensation if any paid to non-executive directors</li> </ul>
Sch II Part A	<b>Information to Board of Directors</b>	Minimum information to be placed before Board of Directors
34, 36, 58, 85	<b>Information to security holders</b>	Annual Report
46, 47, 52, 62, 91	<b>Information to General Public</b>	Website Disclosures

# Key Definitions

## Designated Securities

- Specified securities
- Non-convertible debt securities
- Non-convertible redeemable preference shares
- Perpetual debt instruments
- Perpetual non-cumulative preference shares
- Indian depository receipts
- Securitised debt instruments
- Units issued by mutual funds
- Any other securities as may be specified by the Board

## Listed Entity

- An entity **which has listed** on the recognized stock exchange(s), the **designated securities issued by it** or **designated securities issued under schemes managed by it**, in accordance with the listing agreement entered into between the entity and the recognized stock exchanges

## Specified Securities

- 'Equity shares' and 'Convertible Securities' as defined under clause (zj) of sub-regulation (1) of regulation 2 of the SEBI (ICDR) Regulations, 2009

## Main Board

- Main Board as defined in 106N(1)(a) of SEBI (ICDR) Regulations 2009



# Key Definitions

## Related Party

- As defined under section 2(76) of the Companies Act, 2013 or the applicable AS 18

## Related Party Transaction

- Transfer of resources, services or obligations between a listed entity and a related party regardless of whether a price is charged A transaction with a related party shall be construed to include a single transaction or a group of transactions in a contract

## Relative

- As defined under section 2(77) of the Companies Act, 2013 and Rules thereunder

**Provided that this definition shall not be applicable for the units issued by the Mutual Funds which are listed on a RSE**

# Preliminary (Chapter – I)

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# SEBI (LODR) Regulations - Applicability

- The Regulations shall apply to the listed entity who has listed any of the following designated securities on recognized stock exchange(s)
  - Specified securities listed on main board or SME exchange or Institutional trading platform
  - Non-convertible debt securities non-convertible redeemable preference shares, perpetual debt instruments, perpetual non-cumulative preference shares
  - Indian Depository Receipts
  - Securitised debt instruments
  - Units issued by mutual funds
  - Any other securities as may be specified by the Board

# **Principles Governing Disclosures & Obligations of Listed Entity (Chapter – II)**



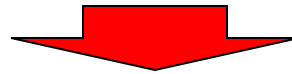
**This chapter is applicable to all listed entities irrespective of type of security listed**

## 4. Principles governing disclosures & obligations

- Listed entities shall make disclosures and abide by its obligations in accordance with the following principles.
  - Financial disclosures shall be prepared and disclosed in accordance with the applicable accounting standards
  - In the preparation of financial statements the accounting standards shall be implemented in letter and spirit, in the interest of all stakeholders
  - Annual audit is to be conducted by an independent, competent and qualified auditor
  - Refrain from making misrepresentations or furnishing misleading information
  - Provide adequate and timely information to the exchanges and investors
  - Disseminations under Regulations and Circulars shall be - adequate, accurate, explicit, timely and presented in a simple language
  - Event based or periodical filings, reports, statements, documents and information shall contain relevant information. Such filings shall enable investors to track performance over specified time and also assess the current status of the listed entity
- These Governing principles are applicable to all listed entities
- Primarily these were covered under clause 49(1) of the listing agreement

## 4. Principles governing disclosures & obligations

- Listed entities shall comply with the corporate governance provisions as specified in **Chapter IV**, to achieve the **objectives of the principles** as under :
- Protect and facilitate the exercise of various rights of shareholders
  - Timely and accurate disclosures on all material information, including the financial situation, performance, ownership and governance of the listed entity
  - Board of Directors to discharge various responsibilities on disclosure of information, key functions,
  - Provide adequate and timely information to shareholders
  - Equitable treatment of all shareholders, including minority and foreign shareholders
  - Recognise the rights of the stakeholders and encourage co-operation between the listed entity and the stakeholders. Devise an effective whistle blower mechanism for stakeholders and have a redressal mechanism for violation of their rights.



**In case of any ambiguity or incongruity between the principles and the relevant regulations the principles shall prevail**

# **Common obligations of Listed Entity (Chapter – III)**

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## 5. General obligations for compliance

- **The listed entity shall ensure that key managerial personnel, directors, promoters or any other person dealing with the listed entity, complies with responsibilities or obligations, if any, assigned to them under these regulations.**
- **These obligations are common to all listed entities**
- **Irrespective of the type of security listed, the listed entities have to comply with these obligations**



## 6. Obligations of Compliance Officer

- **Qualified Company Secretary is to be appointed as Compliance Officer**
  
- The compliance officer is responsible for
  - Ensuring conformity with applicable regulatory provisions
  - Co-ordinate with SEBI, Stock Exchanges and Depositories with respect to compliance with rules, regulations and other directives
  - Ensure correct procedures have been followed, to ensure correctness authenticity and comprehensiveness of filings
  - Monitor investor grievance redressal mechanism

**Requirement not applicable to listed units of MF, subject to any requirement of SEBI (MF) Regulations, 1996**

## 7. Share Transfer Agent

- For managing share transfers the Listed Entity can either have a share transfer agent or managed in house
- If such facility is provided in house, and the number of holders of securities exceeds one lakh, the listed entity shall either register with SEBI as a category II share transfer agent or appoint a share transfer agent registered with SEBI
- Submit a **compliance certificate** to the exchanges, duly signed by both the compliance officer and the authorised representative of share transfer agent, wherever applicable, within one month of end of each half of the financial year, certifying that share transfer facility is either in house or through share transfer agent
- In case of any change or appointment of new share transfer agent, a **tripartite agreement** is to be entered into between the listed entity, existing and the new share transfer agent
- **Intimate such appointment to the exchanges within 7 days of entering into an agreement**
- Such agreement shall be placed before the board of directors at the subsequent meeting

**Obligations of listed entity which has  
listed its specified securities  
(Chapter – IV)**

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# Applicability

- Applicable to all listed entities which have listed its specified securities on any recognized stock exchange(s), either on the Main Board or on SME Exchange or on ITP
- Corporate Governance norms specified in regulations 17 to 27 and **Schedule V, shall not apply in respect of**
  - Listed entity having **paid-up equity share capital not exceeding Rs 10 crore and net worth not exceeding Rs 25 crore** as on the last date of the previous financial year
  - In case to the aforesaid entities cross the specified limits they shall comply with the regulations **within 6 months** from the date they become applicable
  - Entity which **has listed its specified securities on the SME exchange**
- **Further, this is not applicable to**
  - other listed entities which are not companies, but are body corporates or are subject to regulations under other statutes. *(Corporate Governance norms specified in regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D, E of Schedule V shall apply to the extent it does not violate their respective statutes and guidelines or directives issued by the relevant authorities)*

## 16. Definitions

- **‘Control’** – shall have the same meaning as assigned under SEBI (substantial acquisition of shares and takeovers) Regulations, 2011
- **‘Independent Directors’** – same definition as per clause 49
- **Material subsidiary** – means a subsidiary, whose income or net worth exceeds **25% of the consolidated income or net worth respectively of these listed entity and its subsidiaries** in the immediately preceding accounting year (in clause 49 this was – investment in the subsidiary exceeds 25% of the consolidated net worth or if the subsidiary has generated 25% of the consolidated income of the company).
  - **The earlier concept of ‘material non-listed Indian subsidiary’ has been done away with. Hence even overseas subsidiary is also to be considered**
  - **Listed entity shall formulate a policy for determining ‘material subsidiary’**

# Corporate Governance – Schedule II - snippet

- Minimum information to be placed before the board of directors - Regulation 17(7)
- Compliance certificate to be given by CEO & CFO – Regulation 17 (8)
- Role of the audit committee and review of information – Regulation 18(3)
- Role of Nomination and Remuneration Committee and Stakeholder Relationship Committee – Regulation 19(4) and 20(4)
- Discretionary requirements – Regulation 27(1) (non-mandatory)

# Clause 49 vis-a-viz new Regulations 17 to 27

- Provisions under clause 49 of the erstwhile Listing Agreement have been brought under Regulations 17 to 27
  
- More or less the provisions remains the same except for few changes
  - A new provision has been brought in respect of the Audit Committee in Regulation 18 (1) (f) that “occasionally the audit committee may meet without the presence of any executives of the listed entity”
  
  - **Applicability of Risk Management Committee** has been brought in the Regulations itself under Regulation 21 (5), stating that “the provisions of this regulation shall be **applicable to top 100 listed entities** determined on the basis of market capitalisation, as at the end of the immediate previous financial year”

## 18. Audit Committee

- No change as compared to Clause 49
- Mandatory review by Audit Committee- Part C of schedule II
  - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s)
  - annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice
  - This is a new requirement
  - Appears that the requirement is not limited to public/rights offers
    - Includes preferential offers as well



## 19. Nomination and Remuneration Committee

- To see whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors
- Other provisions are similar to the earlier provisions

## 20. Stakeholders Relationship Committee

- Stakeholders Relationship Committee to be set up by every Listed Entity to for redressal of grievances of shareholders, debenture holders and other security holders
- The chairperson of this committee shall be a non-executive director and other members to be decided by the Board
- The role of the Stakeholders Relationship Committee shall be as specified as in Part D of the Schedule II

## 21. Risk Management Committee

- Applicable only to top 100 companies by market capitalisation– reg 21 (5)
- Not necessarily a committee of the board, unless so required by other applicable laws (say, NBFC Directions)
  - Majority shall be board members
  - Chairperson to be member of Board
- Board to determine the role and responsibility

## 22. Vigil Mechanism

- Vigil Mechanism
  - For directors and employees
  - adequate safeguards against victimization of director(s) or employee(s) or any other person
  - direct access to the chairperson of the audit committee

# Constitution of Committees

Obligations	Audit committee	NRC committee	Stakeholders relationship committee	Risk management committee
<b>Composition</b>	<ul style="list-style-type: none"> <li>•minimum 3 directors</li> <li>•Two-thirds independent</li> </ul>	<ul style="list-style-type: none"> <li>•at least three directors</li> <li>•All shall be NED</li> <li>•Atleast 50 % shall be independent</li> </ul>	Board shall decide	Majority from Board
<b>Chairperson</b>	Independent director	Independent director	Non Executive Director (NED)	Member of the Board
<b>Role and responsibility</b>	Schedule II Part C	Schedule II Part D	Schedule II Part D	Board shall define
<b>Other</b>	Company secretary to act as secretary to the committee			Applicable to top 100 listed companies (market cap)

## 23. Related Party Transactions

### Related party transactions (“RPT”)

- Formulation of policy on “materiality” and on dealing with RPT
- Material RPT
  - Previous + proposed transaction during FY exceeds 10% of annual consolidated turnover (as per last Audited B/S)
- All RPT shall require prior approval of the audit committee
  - Audit committee may grant omnibus approval (reviewed quarterly)
  - Quarterly review of RPTs pursuant to omnibus approval
  - Resolution valid for 1 year
- Material RPT shall require approval of shareholders by ordinary resolution
  - All related party to abstain from voting
  - Existing RPT may be continued only after approval of shareholders at the first general meeting held after notification of these regulations
- Exceptions
  - transactions entered into between **two government companies**;
  - transactions entered into between a **holding company** and its **wholly owned subsidiary** whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval

## 23. Related party transactions

- Listed entities shall formulate a policy on materiality of related party transaction and on dealing with related party transactions
- A transaction with a related party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds 10% of the annual consolidated turnover of the listed entity as per the latest audited financial statements
- Prior approval of the audit committee is required and omnibus bus approval may be given
- All material related party transactions shall require approval of the shareholders through an ordinary resolution
- Related parties shall abstain from voting on such resolutions, whether the entity is a related party to the particular transaction or not - Regulation 23(4)
- **These provisions shall be applicable to all prospective transactions**
- All existing material related party transactions entered prior to LODR notification date and which may continue beyond such date shall be placed for approval of the shareholders in the first General Meeting subsequent to notification of LODR

## 24. Obligations pertaining to material subsidiaries

- At least 1 ID to be director of unlisted Indian material subsidiary
- Audit committee to review the FS
  - In particular investments by such subsidiary
- minutes of board meetings to be placed before board of the company
- statement of all significant transactions and arrangements entered into by the unlisted subsidiary to be placed before board of the company
  - any individual transaction or arrangement that exceeds or is likely to exceed 10% of the total revenues or total expenses or total assets or total liabilities, as the case may be, of the unlisted material subsidiary for the immediately preceding accounting year
- SR will be required in case of-
  - disposal of shares in its material subsidiary resulting in reduction of its shareholding to less than 50% or cessation of control over the subsidiary
  - Selling, disposing and leasing of assets amounting to more than 20% of the assets of the material subsidiary on an aggregate basis during a financial year
- In case of chain subsidiaries, if there is an intermediate listed company. such listed intermediate listed company to also comply with the regulations



## 25. Obligations pertaining to Independent directors

- In case of resignation/ removal of ID
  - Replacement at the next Board meeting or 3 months, later
    - CA, 2013 provides for 180 days
  - Other provisions are similar

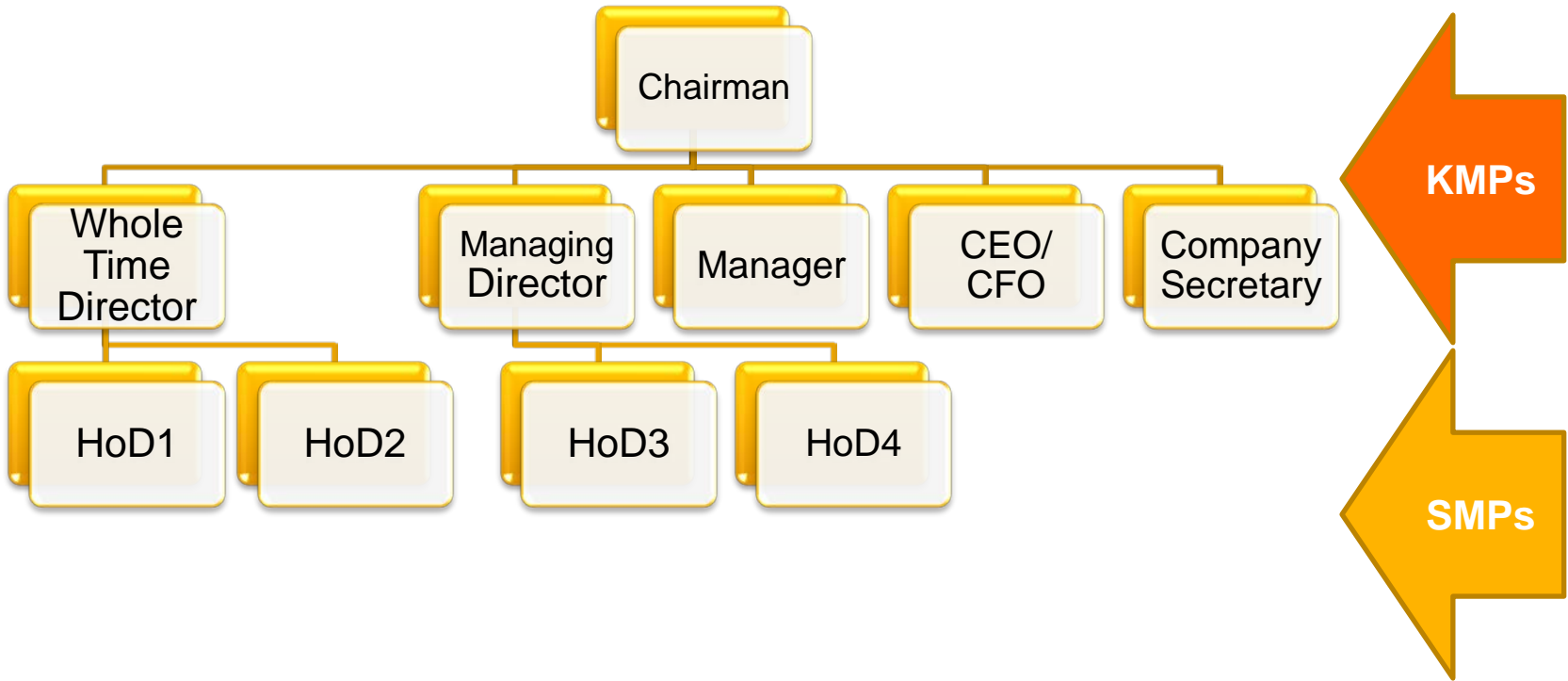
## 26. Obligations applicable to directors

- Member in not more than ten committees
- Chairperson of not more than five committees across all listed entities in which he is a director
  - Chairpersonship and membership of the audit committee and the Stakeholders Relationship Committee shall be considered determination of limit
- Disclosures to the board relating to all material, financial and commercial transactions, where there personal interest
- NEDs to disclose their shareholding held directly or on behalf of others and the same shall be inserted in the notice of general meeting.
- Similar to the earlier provisions

## 26. Obligations applicable to senior management

- Disclosure to BoD with regard to material, financial and commercial transactions having personal interest that may have a potential conflict with the interest of the listed entity
  - conflict of interest relates to dealing in the shares of listed entity;
  - commercial dealings with bodies, which have shareholding of management and their relatives etc.

# Senior Management Personnel & KMP



## 27. Quarterly Compliance Certificate

- Listed entity shall submit a quarterly compliance report on corporate governance within fifteen days from close of the quarter other than
  - Listed entities having paid up equity share capital not exceeding Rs 10 crore and net worth not exceeding Rs 25 crore, as on the last day of the previous financial year.
  - Listed entities which have listed its specified securities on the SME Exchange
  - Body Corporates other than companies however are not exempted even if listed in SME Exchange [**new requirement**]

## 28. In-principle approval

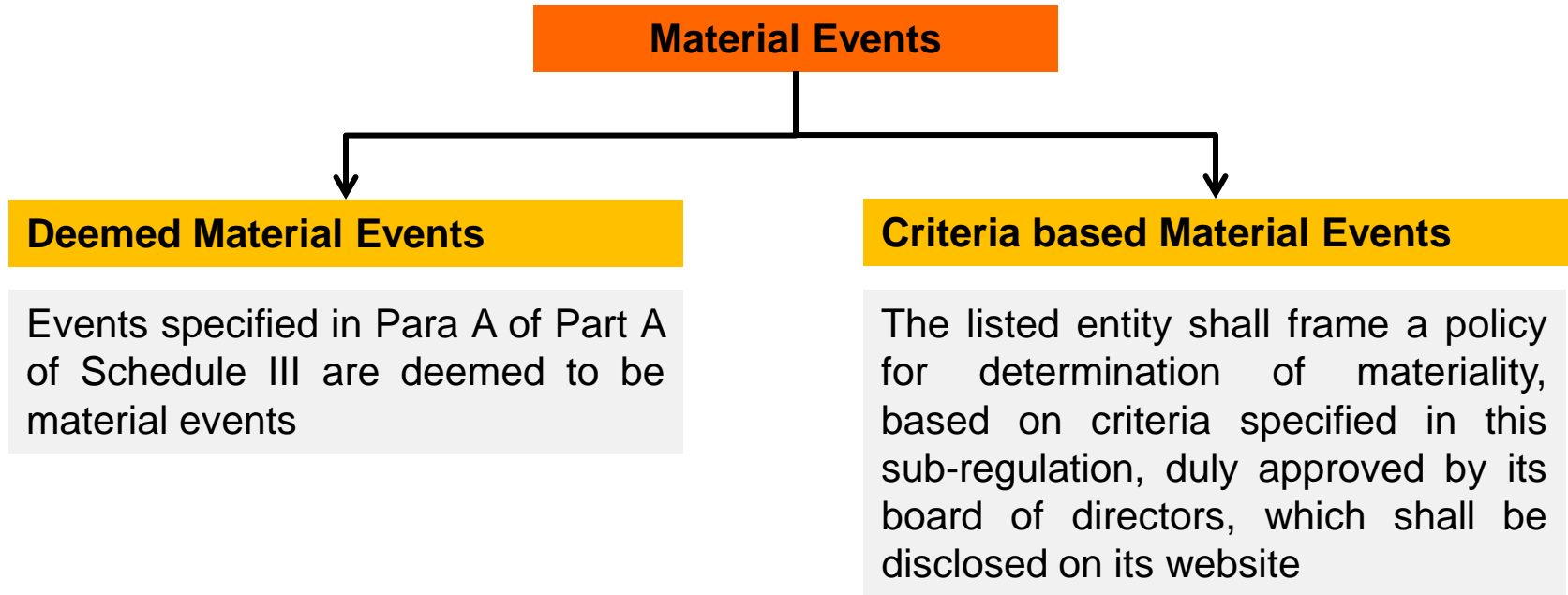
- Before issuing securities
  - where the securities are listed only on recognized stock exchange(s) having nationwide trading terminals, from all such stock exchange(s)
  - If not listed on any recognized stock exchange having nationwide trading terminals, from all the stock exchange(s) in which the securities of the issuer are proposed to be listed
  - If listed on recognized stock exchange(s) having nationwide trading terminals as well as on the recognized stock exchange(s) not having nationwide trading terminals, from all recognized stock exchange(s) having nationwide trading terminals
  
- Not required if securities issued pursuant to the scheme of arrangement for which No-Objection Letter from recognized stock exchange(s) already received

## 29. Prior intimations

- **Meeting of Board held for following matters to be informed to Stock Exchanges**
  - **At least 2 working days in advance**
    - buyback of securities;
    - voluntary delisting
    - fund raising by way of further public offer, rights issue, IDR, GDR, FCCB, QIPs, Debt Issue, Preferential issue, any other method and for determination of issue price,
    - declaration/recommendation of dividend,
    - issue of convertible securities including convertible debentures or of debentures carrying a right to subscribe to equity shares or the passing over of dividend
    - declaration of bonus securities if included in agenda
  - **At least 5 days in advance**
    - financial results viz. quarterly, half yearly, or annual
  - **At least 11 working days in advance [New requirement]**
    - any alteration in the form or nature of any of its securities that are listed on the stock exchange or in the rights or privileges of the holders thereof
    - any alteration in the date on which, the interest on debentures or bonds, or the redemption amount of redeemable shares or of debentures or bonds, shall be payable

## 30. Disclosure of Material Events

- A listed entity is required to disclose **“material events”** to Stock Exchanges in a time bound manner



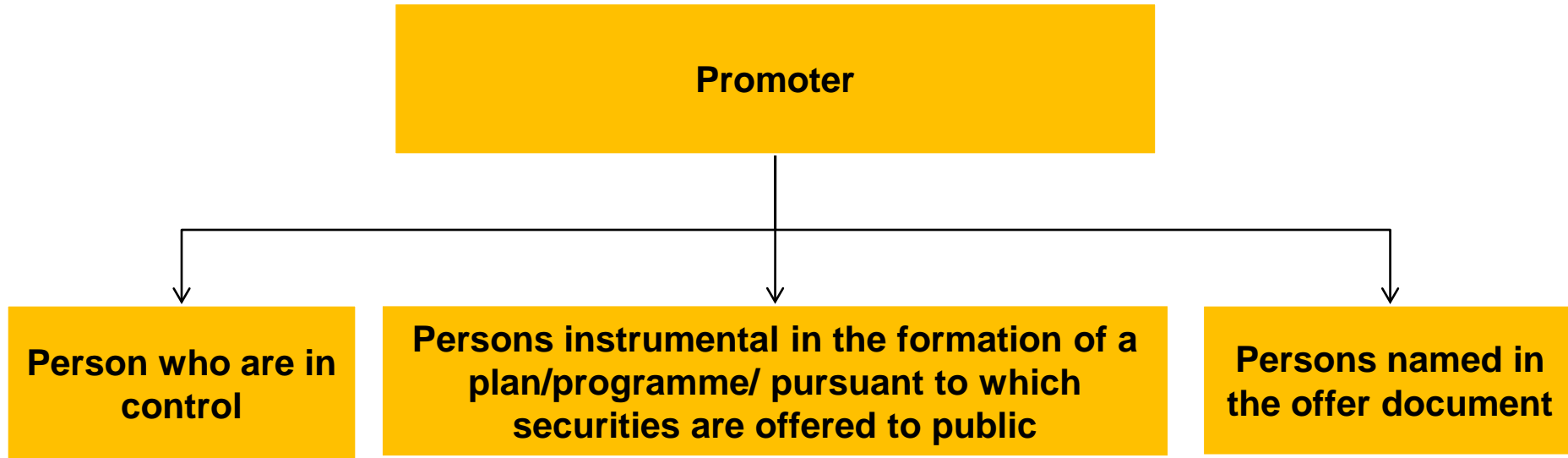
- Disclosure made to Stock Exchanges under regulation 30 shall also be disclosed on the website of the listed entity for a minimum period of 5 years
- The listed entity shall disclose all events or information with respect to subsidiaries which are material for the listed entity



## 31. Filing of shareholding pattern

- **Statement showing holding of securities and shareholding pattern separately for each class of securities shall be submitted to the Stock exchange –**
  - 1 day prior to listing of its securities on the stock exchange(s);
  - on a quarterly basis, within 21 days from the end of each quarter; and,
  - within 10 days of any capital restructuring of the listed entity resulting in a change exceeding two per cent of the total paid-up share capital
  
- **Exception :** Listed entities which have listed their specified securities on SME Exchange, the statements shall be submitted on a half yearly basis within 21 days from the end of each half year

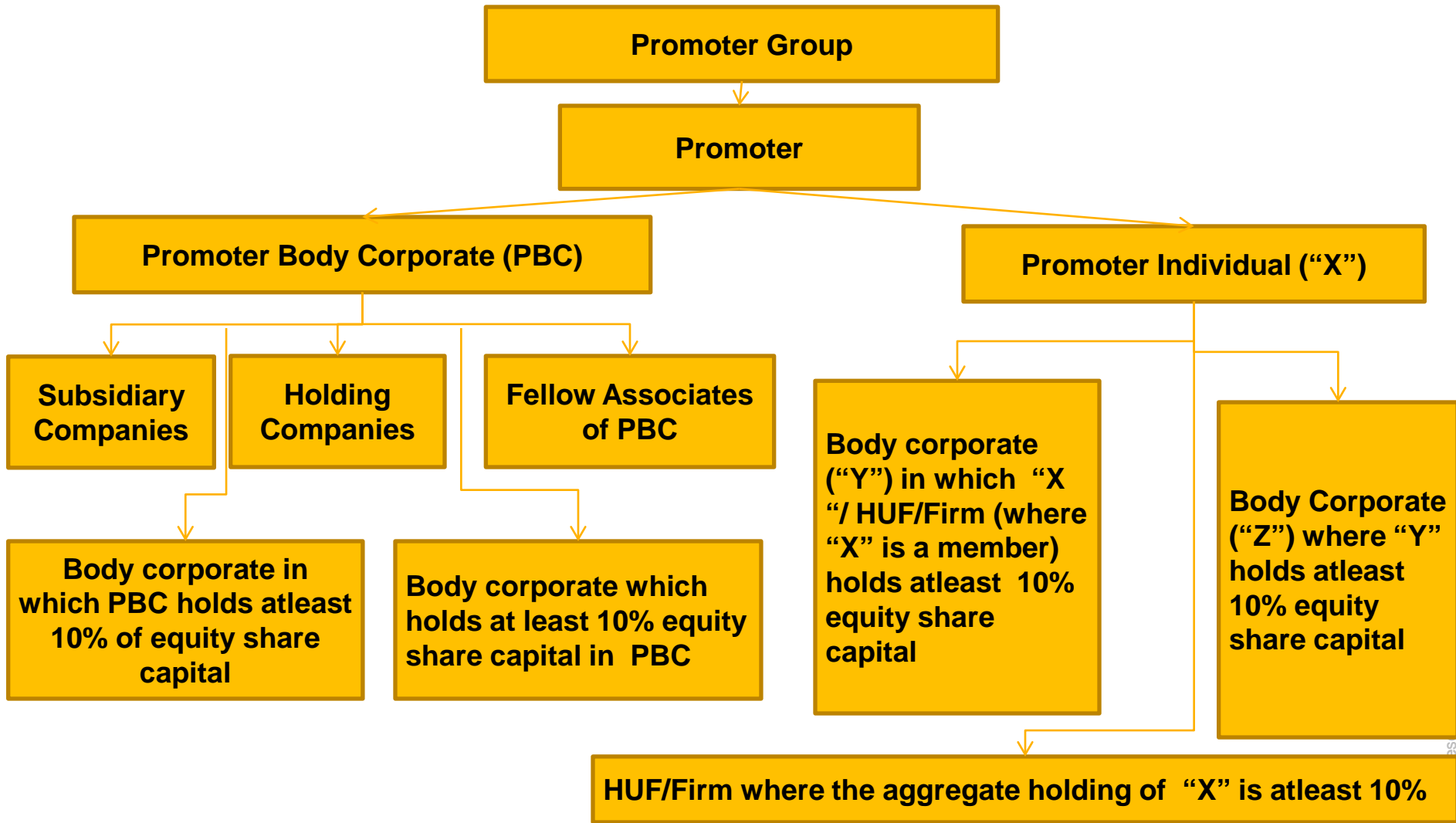
# 31A Re-classification of Promoter Holdings



However, following persons shall not be deemed as Promoter

- Persons acting in mere professional capacity
- FIs , FPIs, MFs & Scheduled Banks merely holding at least 10% of equity capital

# 31A Re-classification of Promoter holdings



## 31A - Promoter holdings

- **New requirement**
- **Reclassification of promoters pursuant to**
  - **Transmission/ Inheritance**
  - **Open Offer**
  - **Company becoming professionally managed**
- **Listed entity shall ensure that 100 percent of shareholding of promoter(s) and promoter group is in dematerialized form**
- **The shareholding shall be maintained on a continuous basis in the manner as specified by the Board**

## 32. Deviations from use of Issue proceeds

- Applicable for public issue, rights issue, preferential issue etc.
- Quarterly submission of report
  - indicating deviations in the use of proceeds from the objects stated in the offer document or explanatory statement to the notice for the general meeting, as applicable;
  - indicating category wise variation (capital expenditure, sales and marketing, working capital etc.) between projected and the actual utilization of funds
- Continue reporting till fully utilized
- Statement to be placed before audit committee before submission
- Explanation for the variation in directors' report
- Preparation of annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice
- certified by Statutory auditor
- placing it before the audit committee till such time the full money utilized
- Submission of report of monitoring agency
- Placing of such report before audit committee annually

## 33. Financial statements

- Power to approve financial results is only with the board of directors
- General practice of committee approval before Board
- Limited review report to be place before Board
- Option for submission of quarterly consolidated results
- Intimation of CFS shall be given in first quarter of FY.
- Disclosures pertaining to investor complaints and explanation of reasons for variations etc. is not required to disclose in financial results
- Audit report with modified opinion and the accompanying annual audit report shall be reviewed by the stock exchange(s) and Qualified Audit Report Review Committee

## 33. Interim financial statements

- Quarterly financial statements to comply with AS 25 or IndAS 34
- Form A (for unmodified opinion)/ B (for modified opinion) to be submitted along with annual results (standalone as well as consolidated)
- Last quarter figure (audited) are balancing figure between 3rd Y-T-D and Annual results
- The requirement was there in LA as well



# Miscellaneous Provisions





## 34 & 35. Requirements for annual report & AIM

- Annual report to be submitted within 21 days of adoption at AGM
- Similar disclosures as earlier provided under Companies Act and listing agreement
- **Business Responsibility Report** is applicable to top 500 listed companies as on March 31 every financial year, based on market cap (As amended by SEBI)
- **Annual Information Memorandum** to be submitted once a year as per format specified by SEBI (currently no format available from SEBI)

## 36. Disclosures on appointment of directors

- Disclosures to be made to the shareholders
  - brief resume of the director
  - nature of his expertise in specific functional areas
  - disclosure of relationships between directors inter-se
  - names of listed entities in which the person also holds the directorship and the membership of Committees of the board
- Earlier it was for all companies
- Shareholding of non-executive directors to be disclosed

## 37. Schemes of arrangement

- Draft schemes to be filed with SEs for observation before filing with Court/ Tribunal etc.
- Filing with Court only after receiving observation letter/ No Objection from SEs
- Such letter to be placed before relevant Authority/ Court
- Validity of observation letter is 6 months within which Scheme needs to be filed
- Submission of specified documents with SEs after sanction of the Scheme

## 38. Minimum Public Shareholding

- The listed entity shall comply with the minimum public shareholding requirements specified in Rule 19(2) and Rule 19A of the SCRR, 1957 in the manner specified by SEBI from time to time
- **Exemption:** minimum public shareholding condition as enumerated above shall not apply to entities listed on institutional trading platform without making a public issue

## 39. Certificate for split/ consolidation of securities

- Issue of certificate within 30 days of lodgment
  - Earlier it was 6 weeks
- Compliance of procedural requirements may be delegated to RTA

## 40. Transfer or transmissions etc.

- Detailed procedures with timelines has been prescribed
  - for transfer/ transmission/ transposition of securities
- Board may delegate the power to transfer
  - to a committee or to compliance officer or to the registrar to an issue and/or share transfer agent
  - Delegated authority to place report on transfer of securities to the board of directors in each meeting
- Registration of
  - Transfer within 15 days
    - Otherwise to compensate the aggrieved party
  - Transmission for securities held in dematerialized mode within 7 days
  - Transmission for physical securities- within 21 days
- Record to be maintained
- No registration
  - in case of any statutory restriction
  - If transferor objects and within 60 days of objection place any prohibitory order

## 40. Transfer or transmissions etc.

- **Indebtedness of transferor is not a valid ground to reject transfer**
- In case of delay in transfer the company has to compensate to aggrieved party and any claim / dispute is to be settled by arbitration as per exchange bye-law
- **Half yearly certificate from PCS**
  - Within 1 month of end of half year
  - Certificate to be filed with SEs simultaneously
- Provisions are applicable for
  - deletion of name of the deceased holder
  - transmission of securities to the legal heir
  - transposition of securities
- **Schedule VII to be followed**

## 41. Misc. provisions

- **Listed Entity (LE) not to exercise lien on fully paid shares and for partly paid share lien restricted to money called or payable**
- **Amount paid in advance may carry interest but shall not entitle any shareholder to dividend or profits**
- **No shares can be issued which may confer on any person, superior rights as to voting or dividend vis-à-vis the rights on equity shares that are already listed**
- **Any further issue to be made for existing shareholders unless decided by shareholders otherwise in general meeting**
- **Subject to the terms of issue of securities, listed securities to be redeemed on pro-rata basis or by lot**



## 42. Record date

- Annual Book closure requirement no longer applicable. Deleted
- **Requirement is for fixing record date**
- Recommendation or declaration of dividend and/or cash bonuses at least 5 WDs before the record date
- Other provisions are similar

## 43. Dividend

- **Dividend to be declared and disclose on per share basis only**
- **Not to forfeit unclaimed dividends before the claim becomes barred by law and such forfeiture, if effected, shall be annulled in appropriate cases**

## 44. Remote e-voting

- All shareholders resolutions in terms of Companies (MGT) Rules, 2014
- Submission of results within 48 hours of conclusion of the meeting
- Proxy form to all security holders

## 45. Change of name

- Mandatory name change (within 6 months) in case company change its activities which is not reflected in its name.
- **Prior approval of SE is mandatory before making application to ROC**
- **These are new requirement**

## 46. Website of listed company

1/2

### ➤ **Shall have a functional website, disclosing**

- Details of business
- terms and conditions of appointment of independent directors
- composition of various committees of board
- code of conduct of board and SMPs
- details of establishment of vigil mechanism
- criteria of making payments to NEDs
  - If not in annual report
- **RPT policy**
- **Material Subsidiary Policy**
- Familiarization programme for IDs
  - No of programmes attended during the year on cumulative basis
  - No of hours spend during the year on cumulative basis
  - Other relevant details
- Policy on determination of material events
  - Contact details of KMPs authorised by the Board for the purpose of determination of materiality and disclosure thereon

## 46. Website of listed company

2/2

- To specify email address for grievance redressal
- contact information of the designated officials responsible for assisting and handling investor grievances
- financial information
  - notice of meeting of the board of directors where financial results shall be discussed
  - financial results, on conclusion of the meeting of the board of directors where the financial results were approved
  - complete copy of the annual report
- shareholding pattern
- details of agreements entered into with the media companies and/or their associates
- schedule of analyst or institutional investor meet and presentations
- new name and the old name for a continuous period of one year
- Advertisements made under regulation 47

## 47. Newspaper advertisement

- **Newspaper advertisement shall be carried out inter-alia for the following matters:**
  - Notice of meeting of the board of directors where financial results to be discussed
  - Financial results along-with the modified opinion(s) or reservation(s), if any, expressed by the auditor
    - If both standalone & CFS has submitted then CFS to be published
  - Statements of deviation(s) or variation on quarterly basis, after review by audit committee
    - explanation in directors report in annual report
  - Notices given to shareholders by advertisement
  - Reference in newspaper publication shall be on the website
  - Publication shall be simultaneously with the submission of the same to SEs
    - FS to be published within 48 hours of conclusion of the meeting of board of directors in atleast 1 English language national daily circulating in the whole or substantially the whole of India and 1 daily newspaper published in the regional language, where the registered office is situated
  - **Exemption** – Provision not applicable to entities whose securities are listed on SME Exchange.
  - **Website link to be provided in advertisement**

## 48. Compliance with Accounting Standards

- **Listed Entity shall comply with ALL the applicable and notified Accounting Standards (AS) from time to time**
- **Provisions related to Principles governing LODR suggest that the AS to be complied in letter and spirit**



# Prior intimation

Reg. No	Particulars	Time line
29(1)(a)	Meeting of Board held for approval financial results viz. quarterly, half yearly, or annual	5 days in advance
29(1)(b) to (f)	Meeting of Board held for discussion on proposal for – <ul style="list-style-type: none"> <li>• buyback</li> <li>• voluntary delisting</li> <li>• Fund raising by further public offer, rights issue, IDR, GDR, FCCB, QIPs, Debt issue, preferential issue and determination of issue price etc.</li> <li>• declaration/recommendation of dividend</li> <li>• issue of convertible securities</li> <li>• declaration of bonus securities if included in agenda</li> </ul>	2 working days in advance
Proviso to 29(1)(d)	AGM / EGM/ postal ballot for approval for further fund raising indicating type of issuance	2 working days in advance
29(3)(a)	any alteration in the form or nature of any of its securities that are listed on the stock exchange or in the rights or privileges of the shareholders	11 working days in advance

# Prior intimation

Reg. No	Particulars	Time line
29(3)(b)	any alteration in the date on which, the interest on debentures or bonds, or the redemption amount of redeemable shares or of debentures or bonds, shall be payable	11 working days in advance
42(2)	Notice of record date inter-alia for the purpose of declaration of dividend, issue of rights or bonus shares, issue of shares for conversion of convertible securities, corporate actions like mergers, etc.	At least 7 working days (excluding the date of intimation and the record date)
50 (1)	Information of interest on debentures and bonds, and redemption amount of redeemable shares or of debentures and bonds	11 working days before date on and from which they are payable
50 (2)	intention to raise funds through new non-convertible debt securities or non-convertible redeemable preference shares proposes to list either through a public issue or on private placement basis,	Prior to meeting of the Board in which it shall be considered
50 (3)	recommendation or declaration of issue of non convertible debt securities or any other matter affecting the rights or interests of holders of non convertible debt securities or non convertible redeemable preference shares is proposed to be considered	at least two working days in advance, excluding the date of the intimation and date of the meeting

# Post event intimation

Reg. No	Particulars	Time line
7(3)	Compliance certificate with regard to maintenance of share transfer facility either in house or through Share transfer agents, RTI	Within 1 month of end of each half of the financial year
7(4)	Changes or Appointment of new Share Transfer Agent	Within 7 days of entering into the agreement
13(3)	A statement giving the number of investor complaints pending at the beginning of the quarter, those received, disposed off and those remaining unresolved at the end of the quarter	Within 21 days from the end of each quarter
27(2)(a)	Compliance report on corporate governance, Details of Material RPT	Within 15 days from close of the quarter

# Post event intimation

Reg. No	Particulars	Time line
30	Material events as enumerated under Schedule III	Not later than 24 hours of occurrence
30	<p>Outcome of Meetings of the Board of Directors-</p> <ul style="list-style-type: none"> <li>▪ dividends and/or cash bonuses recommended or declared or the decision to pass any dividend and the date on which dividend shall be paid/dispatched;</li> <li>▪ any cancellation of dividend with reasons thereof;</li> <li>▪ the decision on buyback of securities;</li> <li>▪ the decision with respect to fund raising proposed to be undertaken;</li> <li>▪ increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares shall be credited/dispatched;</li> <li>▪ reissue of forfeited shares or securities, or the issue of shares or securities held in reserve for future issue or the creation in any form or manner of new shares or securities or any other rights, privileges or benefits to subscribe to;</li> <li>▪ short particulars of any other alterations of capital, including calls;</li> <li>▪ financial results;</li> <li>▪ decision on voluntary delisting by the listed entity from stock exchange(s)</li> </ul>	Within 30 minutes of the Meeting

# Post event intimation

Reg. No	Particulars	Time line
31(1)	Statement showing holding of securities and shareholding pattern separately for each class of securities, in the format specified by the Board from time to time within the timeline prescribed	<ul style="list-style-type: none"> <li>▪ 1 day prior to listing of its securities on the stock exchange(s);</li> <li>▪ within 21 days from the end of each quarter;</li> <li>▪ within 10 days of any capital restructuring resulting in a change exceeding 2% of the total paid-up share capital;</li> <li>▪ specified securities being <b>listed on SME Exchange</b> within 21 days from the end of half year</li> </ul>

# Post event intimation

Reg. No	Particulars	Time line
32(1)	<p>Statements for public issue, rights issue, preferential issue etc.-</p> <p>(a) indicating deviations in the use of proceeds from the objects stated in the offer document or explanatory statement to the notice for the general meeting;</p> <p>(b) indicating category wise variation (capital expenditure, sales and marketing, working capital etc.) between projected utilisation of funds and the actual utilisation of funds</p>	<ul style="list-style-type: none"> <li>• On a quarterly basis till the time of full utilisation;</li> <li>• specified securities are listed on SME Exchange then on a half-yearly basis</li> </ul>
33(3)	quarterly and year-to-date standalone financial results and consolidated financial statements, if any	within 45 days of end of each quarter, other than the last quarter
33(3)	audited standalone financial results for the financial year	within sixty days from the end of the financial year; specified securities are listed on SME Exchange then on a half-yearly basis

# Post event intimation

Reg. No	Particulars	Time line
34(1)	Annual Report	21 working days of AGM
37(5)	Documents relating to the scheme of arrangement	Upon sanction of the Scheme by the Court or Tribunal
39(3)	Information regarding loss of share certificates and issue of the duplicate certificates	Within 2 days of getting information
44(3)	Details regarding the voting results in the format specified	48 hours of the conclusion of its General Meeting

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