

Review of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

SEPTEMBER 11, 2020



भारतीय प्रतिभूति और विनिमय बोर्ड
Securities and Exchange Board of India

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A. Objective

To solicit public comments / views on the proposed amendments to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as “**LODR Regulations**” or “**LODR**”) *inter-alia* to strengthen corporate governance practices and disclosure requirements, ease compliance burden on listed entities, harmonize with the Companies Act, 2013 and maintain consistency within the LODR Regulations.

B. Review of the LODR and proposed amendments:

The LODR Regulations were notified on September 2, 2015, after an extensive and exhaustive consultation. The LODR Regulations consolidated and streamlined the provisions of listing agreements that existed for different segments of the capital market. The provisions of the LODR Regulations have been categorized into various chapters viz., Chapter – I to XII.

Subsequent to the implementation of the LODR Regulations, various changes have taken place in the regulatory landscape, like

- Amendments made to the Companies Act, 2013 (**‘Companies Act’**);
- Repeal of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and substitution with ICDR Regulations, 2018 (**‘ICDR Regulations’**);
- Issue of informal guidance/ interpretative letters regarding interpretation of various provisions of the LODR Regulations etc.

While SEBI has endeavoured to keep the LODR Regulations and the circulars issued thereunder in line with the ever evolving market dynamics, many representations continue to be received from various stakeholders on various aspects of these regulations. A need was thus felt to review and align the LODR Regulations with the following objectives:

- (1) To strengthen corporate governance practices and disclosure requirements (proposed amendments at **Annex A**);
- (2) To ease the compliance burden on listed entities (proposed amendments at **Annex B**);
- (3) Other amendments *inter-alia* to maintain consistency within the LODR Regulations, harmonize the LODR Regulations with the Companies Act, (proposed amendments at **Annex C**) and maintain gender neutrality;

C. Public Comments

This consultation paper seeks public comments on the proposed amendments to Chapters I – IV, XII and the corresponding schedules of the LODR Regulations, as detailed at Annex A to C. The comments/suggestions may be provided as per the format given below:

Name of the person/entity			
Sr.No.	Pertains to Regulation/sub-regulation/schedule/clause/sub-clause (as applicable)	Proposed /suggested changes	Rationale

Comments may be sent by email to Mr. Pradeep Ramakrishnan, General Manager, at pradeepr@sebi.gov.in, Ms. Ishita Sharma, Manager, at ishitas@sebi.gov.in, Ms. Sonal Pednekar, Manager, at sonalp@sebi.gov.in and Mr. Rajendran S, Asst. Manager, at rajendrns@sebi.gov.in no later than October 11, 2020.

Issued on: September 11, 2020

Annexure A – PROPOSED AMENDMENTS TO STRENGTHEN CORPORATE GOVERNANCE PROVISIONS

Sub-regulation/ Clause / Schedule	Current Provision in the LODR	Proposed changes	Rationale
3	No specific provision	<u>Insertion of new sub-regulation (2)</u> (1) The provisions of these regulations which become applicable to listed entities on the basis of market capitalisation criteria shall continue to apply to such entities even if they fall below such thresholds.	<p>Certain provisions of the LODR are applicable to a defined set (top 100/500/1000/2000) of listed entities on the basis of market capitalisation.</p> <p>Since, market capitalisation (m-cap) is dynamic, entities which form part of the defined set may vary due to change in market capitalisation.</p> <p>Stock Exchanges have observed instances wherein listed entities complying with specific regulations had stopped complying with the requirements once their market capitalisation decreased and they fell out of the top m-cap category.</p> <p>In the interest of good corporate governance, it is proposed that provisions that become applicable to a listed entity on the basis of market capitalisation, shall continue to apply irrespective of change in the market capitalisation.</p>
Second proviso to regulation 15(2)(a)	No specific provision	<u>Insertion of new proviso:</u> Provided that once the above regulations become applicable to a listed entity, they shall continue to remain applicable irrespective of subsequent changes in equity share capital or net-worth of such entity.	Corporate governance provisions specified in regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V are applicable to listed entities with paid up capital of more than 10 crore and net worth above 25 crore.

Sub-regulation/ Clause / Schedule	Current Provision in the LODR	Proposed changes	Rationale
			<p>Stock Exchanges have observed instances wherein listed entities had paid up capital and net worth above the prescribed thresholds and were complying with the corporate governance requirements; however, such entities stopped complying with the said requirements once their paid-up capital or net worth fell below prescribed threshold.</p> <p>In the interest of good corporate governance, it is proposed that once corporate governance provisions become applicable to a listed entity, it shall comply with those provisions irrespective of change in paid up capital or net worth. This will ensure that applicability does not get triggered every time the entity crosses the threshold limits or vanishes once it falls below the threshold.</p>
24(5)	A listed entity shall not dispose of shares in its material subsidiary resulting in reduction of its shareholding (either on its own or together with other subsidiaries) to less than fifty percent or cease the exercise of control over the subsidiary without passing a special resolution in its General Meeting except in cases where such divestment is made under a scheme of arrangement duly approved by a Court/Tribunal, or under a resolution plan duly approved under section	A listed entity shall not dispose of shares in its material subsidiary resulting in reduction of its shareholding (either on its own or together with other subsidiaries) to less than or equal to fifty percent or cease the exercise of control over the subsidiary without passing a special resolution in its General Meeting except in cases where such divestment is made under a scheme of arrangement duly approved by a Court/Tribunal, or under a resolution plan duly approved under section 31 of the Insolvency Code	<p>Section 2(87) of the Companies Act <i>inter-alia</i> defines a subsidiary as ‘a company in which the holding company exercises or controls more than one-half of the total voting power either at its own or together with one or more of its subsidiary companies’.</p> <p>There is a possibility that the existing provision of sub-regulation (5) of regulation 24 may be misused by a listed entity in the following manner: A listed entity may reduce its shareholding in a subsidiary to exactly 50% (<i>ceases to be a subsidiary as per definition of Companies Act</i>) without</p>

Sub-regulation/ Clause / Schedule	Current Provision in the LODR	Proposed changes	Rationale
	31 of the Insolvency Code and such an event is disclosed to the recognized stock exchanges within one day of the resolution plan being approved	and such an event is disclosed to the recognized stock exchanges within one day of the resolution plan being approved	having to pass a special resolution (<i>special resolution is required only if shareholding goes below 50%</i>). In order to prevent abuse of this sub-regulation as mentioned above, the phrase ' <i>or equal to</i> ' may be substituted with ' <i>less than or equal to 50%</i> '.
30(6)	<p>Regulation 30 (6) – Disclosure of events or information</p> <p>The listed entity shall first disclose to stock exchange(s) of all events, as specified in Part A of Schedule III, or information as soon as reasonably possible and not later than twenty four hours from the occurrence of event or information: Provided that in case the disclosure is made after twenty four hours of occurrence of the event or information, the listed entity shall, along with such disclosures provide explanation for delay:</p> <p>Provided further that disclosure with respect to events specified in sub-para 4 of Para A of Part A of Schedule III shall be made within thirty minutes of the <u>conclusion</u> of the board meeting.</p>	<p>The listed entity shall first disclose to stock exchange(s) of all events, as specified in Part A of Schedule III, or information as soon as reasonably possible and not later than twenty four hours from the occurrence of event or information: Provided that in case the disclosure is made after twenty four hours of occurrence of the event or information, the listed entity shall, along with such disclosures provide explanation for delay:</p> <p>Provided further that disclosure with respect to events specified in sub-para 4 of Para A of Part A of Schedule III shall be made within the timelines specified therein. thirty minutes of the conclusion of the board meeting.</p>	<p>Extant norms require disclosure of financial results within 30 minutes from the conclusion of the board meeting. In this regard, FICCI has made a representation on disclosure of financial results, stating the following:</p> <ul style="list-style-type: none"> It is in the best interest of investors that material events and information are submitted promptly to the Stock Exchanges whenever such approvals / decisions are taken by the Board Companies want to submit such information as soon as the concerned event / information is approved by board and there is no merit in waiting to disclose such information till the end of the board meeting, which can continue till the end of the day or next day in some cases <p>In case financial results is the first agenda item to be approved in the board meeting, waiting for the meeting to be concluded before the results are</p>

Sub-regulation/ Clause / Schedule	Current Provision in the LODR	Proposed changes	Rationale
Schedule III,	<p>Part A, Para A</p> <p>...</p> <p>4. Outcome of Meetings of the board of directors: The listed entity shall disclose to the Exchange(s), within 30 minutes of the closure of the meeting, held to consider the following:</p> <p>a)</p> <p>b)</p> <p>.</p> <p>.</p> <p>h) financial results</p> <p>i) decision on voluntary delisting by the listed entity from stock exchange(s).</p>	<p>Part A, Para A</p> <p>...</p> <p>4. Outcome of Meetings of the board of directors:</p> <p><u>Insertion of new sub-clause (i)</u></p> <p>(i) The listed entity shall disclose the financial results to the Exchange(s) within 30 minutes of approval by the board.</p> <p>(ii) The listed entity shall disclose to the Exchange(s), within 30 minutes of the closure of the meeting, held to consider the following:</p> <p>a)</p> <p>b)</p> <p>.</p> <p>.</p> <p><u>h) financial results</u></p> <p>i) decision on voluntary delisting by the listed entity from stock exchange(s).</p>	<p>disclosed increases the possibility of leakages.</p> <p>In view of the same and the representation of FICCI as mentioned above, it is proposed that regulation 30 (6) may be amended, such that disclosure of financial results is made within 30 minutes from the conclusion of the discussion on the agenda, rather than the conclusion of the board meeting.</p>
43A (1)	<p>The top five hundred listed entities based on market capitalization (calculated as on March 31 of every financial year) shall formulate a dividend distribution policy which shall be disclosed in their annual reports and on their websites.</p>	<p>The top five hundred one thousand listed entities based on market capitalization (calculated as on March 31 of every financial year) shall formulate a dividend distribution policy which shall be disclosed in their annual reports and on their websites.</p>	<p>At present, the top 500 listed entities by market capitalization are required to formulate a dividend distribution policy which shall be disclosed in their annual reports and on their website. The dividend distribution policy lists out the circumstances under which the shareholders may expect dividend, the financial parameters, internal and external factors that shall be considered for declaring dividend. This disclosure is intended to bring clarity on distribution of dividend by a</p>

Sub-regulation/ Clause / Schedule	Current Provision in the LODR	Proposed changes	Rationale
			<p>listed entity to its shareholders.</p> <p>The above requirement was inserted in the LODR Regulations, in 2016. Considering that 4 years have passed since the above amendment came into effect and with a view to benefit a wider set of shareholders, it is proposed to extend the requirement for formulating and disclosing the dividend distribution policy to the top 1000 listed entities, by market capitalization.</p>
Schedule III	<p>Part A Para A</p> <p>....</p> <p>9. Corporate debt restructuring.</p> <p>.....</p>	<p>Part A Para A</p> <p>....</p> <p>9. Corporate debt restructuring.</p> <p>The following events in relation to resolution plan/ restructuring of loans/borrowings from banks/financial institutions, as applicable:</p> <p>(i) Decision to initiate resolution of loans/borrowings;</p> <p>(ii) Signing of Inter-Creditors Agreement (ICA) by lenders;</p> <p>(iii) Finalization of Resolution Plan;</p> <p>(iv) Implementation of Resolution Plan;</p> <p>(v) Salient features, not involving commercial secrets, of the resolution / restructuring plan as decided by lenders</p> <p>.....</p>	<p>The Corporate Debt Restructuring scheme has been withdrawn by RBI and has been replaced with the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions 2019. This disclosure is accordingly aligned with the above changes made by the RBI.</p>

Annexure B - PROPOSED AMENDMENTS TO EASE COMPLIANCE BURDEN ON LISTED ENTITIES

Sub-regulation/ Clause / Schedule	Current Provision in the LODR	Proposed changes	Rationale
7 (3)	The listed entity shall submit a compliance certificate to the exchange, duly signed by both the compliance officer of the listed entity and the authorised representative of the share transfer agent, wherever applicable, within one month of end of each half of the financial year, certifying compliance with the requirements of sub-regulation (2).	The listed entity shall submit a compliance certificate to the exchange, duly signed by both the compliance officer of the listed entity and the authorised representative of the share transfer agent, wherever applicable, within one month thirty days of from the end of each half the financial year, certifying compliance with the requirements of sub-regulation (2).	Regulation 7(2) of the LODR requires a listed entity to ensure that all activities in relation to share transfer facility are maintained either in house or by a RTA registered with the Board. Further, regulation 7(3) of the LODR mandates submission of a certificate on compliance with regulation 7(2). RTA change by listed entities is not a frequent occurrence and in case there is a change, they have to disclose it within seven days under regulation 7(5) of the LODR. It is thus proposed that to ease compliance burden on listed entities, the half yearly certification may be replaced with annual certification.
Proviso to regulation 12	Provided that where it is not possible to use electronic mode of payment, 'payable-at-par' warrants or cheques may be issued: Provided further that where the amount payable as dividend exceeds one thousand and five hundred rupees, the 'payable-at-par' warrants or cheques shall be sent by speed post.	Second Proviso Deleted Provided that where it is not possible to use electronic mode of payment, 'payable-at-par' warrants or cheques may shall be issued.∴ Provided further that where the amount payable as dividend exceeds one thousand and five hundred rupees, the 'payable-at-par' warrants or cheques shall be by speed post.	The benefits arising out of corporate actions are generally credited through electronic means. There is a small universe of investors to whom dividend is paid by means of warrants or cheques. In order to provide flexibility to companies, it is proposed that other modes of sending warrants/cheques to investors may also be permitted. Accordingly, the second proviso is deleted and the first proviso is suitably modified.
39(3)	The listed entity shall submit information regarding loss of share	The listed entity shall submit information regarding a quarterly	SEBI has received representation from Registrars Association of

Sub-regulation/ Clause / Schedule	Current Provision in the LODR	Proposed changes	Rationale
	certificates and issue of the duplicate certificates, to the stock exchange within two days of its getting information	report to the stock exchange(s) on loss of share certificates and issue of duplicate certificates, to the stock exchange within two days of its getting information if applicable, along with the statement of investor grievances furnished under regulation 13(3) of these regulations.	India (RAIN) stating that this provision may not be relevant in the current market environment as there is no trading of physical shares on the floor of the Stock Exchanges and there is no transfer of shares allowed in physical mode. Since shares may still be held in physical form the provision may not be deleted. However, to ease the compliance burden and considering the representation received, it is proposed that the provision may be modified so as to mandate reporting of loss of physical shares on a quarterly basis rather than reporting of each such instance.
40(9)	The listed entity shall ensure that the share transfer agent and/or the in-house share transfer facility, as the case may be, produces a certificate from a practicing company secretary within one month of the end of each half of the financial year, certifying that all certificates have been issued within thirty days of the date of lodgement for transfer, subdivision, consolidation, renewal, exchange or endorsement of calls/allotment monies.	The listed entity shall ensure that the share transfer agent and/or the in-house share transfer facility, as the case may be, produces a certificate from a practicing company secretary within one month of from the end of each half of the financial year, certifying that all certificates have been issued within thirty days of the date of lodgement for transfer, subdivision, consolidation, renewal, exchange or endorsement of calls/allotment monies.	SEBI has received representations requesting that certificate to be submitted under regulation 40(9) of the LODR may be furnished on a yearly basis. Considering the fact that the number of investors holding shares in physical form is negligible, it is proposed to ease burden on listed entities by making the certification to be furnished under regulation 40(9) of the LODR from half-year to annual.

Sub-regulation/ Clause / Schedule	Current Provision in the LODR	Proposed changes	Rationale
45 (3)	On receipt of confirmation regarding name availability from Registrar of Companies, before filing the request for change of name with the Registrar of Companies in terms of provisions laid down in Companies Act, 2013 and rules made thereunder, the listed entity shall seek approval from Stock Exchange by submitting a certificate from chartered accountant stating compliance with conditions at sub-regulation (1).	On receipt of confirmation regarding name availability from Registrar of Companies, before filing the request for change of name with the Registrar of Companies in terms of provisions laid down in Companies Act, 2013 and rules made thereunder, the listed entity seek approval from Stock Exchange by submitting a certificate from chartered accountant, in the explanatory statement in the notice seeking shareholder approval for change in name, shall include a certificate from a practicing chartered accountant or practicing company secretary stating compliance with conditions at sub-regulation (1).	<p>Primarily, alteration of memorandum of a Company, which includes change of name, is a matter governed under sections 4 and 13 of the Companies Act, 2013; these provisions require the change in a company's name to be approved by its shareholders through a special resolution.</p> <p>In addition to the requirements of the Companies Act, 2013, the LODR contains additional requirements as specified in regulation 45 (1) – regarding the new name being reflective of the activity of the listed entity - which is to be certified by a chartered accountant.</p> <p>Since the conditions under regulation 45(1) are a pre-requisite for change in name, it is appropriate that the notice seeking approval of the shareholders for the same includes the aforementioned certification. As the shareholders approve the change in name, additional approval from the Stock Exchanges would not be required.</p> <p>This will also provide ease of doing business.</p>
47(1)(a) & (c)	(1) The listed entity shall publish the following information in the newspaper: (a) notice of meeting of the board of directors where financial results shall be discussed.	Proposed to be deleted	All filings that are made by listed entities under the LODR regulations are available on the Stock Exchange website, in addition to the entity's website, which is accessible anywhere, anytime and free

Sub-regulation/ Clause / Schedule	Current Provision in the LODR	Proposed changes	Rationale
	<p>... (c) statements of deviation(s) or variation(s) as specified in sub-regulation (1) of regulation 32 on quarterly basis, after review by audit committee and its explanation in directors report in annual report;</p>		<p>of cost. Hence, a separate newspaper advertisement on notice of the board meeting to discuss financial results, quarterly statement of deviation or variation is an additional burden on listed entities. Hence, the same is proposed to be dispensed with.</p> <p>However, considering the importance of financial results, the same will continue to be published in newspapers as specified in regulation 47(1)(b) of the LODR.</p>

Annexure C - PROPOSED AMENDMENTS FOR MAINTAINING CONSISTENCY WITHIN LODR REGULATIONS AND HARMONIZATION WITH THE COMPANIES ACT, 2013

Sub-regulation/ Clause / Schedule	Current Provision in the LODR	Proposed changes	Rationale
2(1)(ib)	No provision	<u>Insertion of new clause</u> 'firm' shall have the same meaning as assigned to it under Partnership Act, 1932, and Limited Liability Partnership Act, 2008.	Since the term 'firm' is used in the LODR but not defined in securities laws, the same is proposed to be defined by making reference to relevant statutes.
2(1) (zn)	No provision	<u>Insertion of new clause</u> 'working days' means working days of the stock exchange where the securities of the entity are listed.	Listed entities are required to make various filings with the recognized stock exchanges within certain working days. The term 'working days' has been defined in the FAQs to the LODR Regulations issued by SEBI. It is proposed to define the term as a part of the LODR Regulations.
16(1)(b)(v)	none of whose relatives has or had pecuniary relationship or transaction with the listed entity, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent. or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed from time to time, whichever is lower, during the two immediately preceding financial years or during the current financial year	<u>(v) none of whose relatives—</u> <u>(A) is holding any security of or interest in the listed entity, its holding, subsidiary or associate company during the two immediately preceding financial years or during the current financial year:</u> <u>Provided that the relative may hold security or interest in the listed entity of face value not exceeding fifty lakh rupees or two per cent. of the paid-up capital of the listed entity, its holding, subsidiary or associate company or such higher sum as may be prescribed;</u> <u>(B) is indebted to the listed entity, its holding, subsidiary or</u>	The definition of independent director under Section 149 of the Companies Act, 2013 has been amended w.e.f. May 7, 2018. This modification is proposed to expand the requirements for a transactions of relatives, with those mentioned in the Companies Act. However, in a departure from the Companies Act, a lower threshold for pecuniary relationship of relatives as prescribed at present in the LODR is proposed to be retained.

Sub-regulation/ Clause / Schedule	Current Provision in the LODR	Proposed changes	Rationale
		<p>associate company or their promoters, or directors, in excess of such amount as may be prescribed during the two immediately preceding financial years or during the current financial year;</p> <p>(C) has given a guarantee or provided any security in connection with the indebtedness of any third person to the listed entity, its holding, subsidiary or associate company or their promoters, or directors of such holding company, for such amount as may be prescribed during the two immediately preceding financial years or during the current financial year; or</p> <p>(D) has any other pecuniary transaction or relationship with the listed entity, or its subsidiary, or its holding or associate company amounting to two per cent. or more of its gross turnover or total income;</p> <p>Provided that the pecuniary relationship in relation to (A) to (D) shall not exceed two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be</p>	

Sub-regulation/ Clause / Schedule	Current Provision in the LODR	Proposed changes	Rationale
		prescribed from time to time, whichever is lower.	
16(1) (vi)	<p>(vi) who, neither himself, nor whose relative(s) —</p> <p>(A) holds or has held the position of a key managerial personnel or is or has been an employee of the listed entity or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;</p>	<p>(vi) who, neither himself/herself, nor whose relative(s) —</p> <p>(A) holds or has held the position of a key managerial personnel or is or has been an employee of the listed entity or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;</p> <p>Provided that in case of a relative who is an employee, the restriction under this clause shall not apply for his employment during preceding three financial years.</p>	The definition of independent director under Section 149 of the Companies Act, 2013 has been amended w.e.f. May 7, 2018. In order to harmonize the definition of independent directors in the LODR Regulations with that in the Companies Act, the modification is proposed.
24A	<p>Secretarial Audit.</p> <p>Every listed entity and its material unlisted subsidiaries incorporated in India shall undertake secretarial audit and shall annex with its annual report, a secretarial audit</p>	<p>Secretarial Audit and Secretarial Compliance Report</p> <p>(1) Every listed entity and its material unlisted subsidiaries incorporated in</p>	Subsequent to the Kotak committee recommendation, SEBI had introduced a new regulation viz., 24A which requires listed entities and their material subsidiaries to submit annual secretarial audit report. Further, SEBI circular dated February 8, 2019 requires every listed entity to submit the following:

Sub-regulation/ Clause / Schedule	Current Provision in the LODR	Proposed changes	Rationale
	report, given by a company secretary in practice, in such form as may be specified with effect from the year ended March 31, 2019	<p>India shall undertake secretarial audit and a secretarial audit report, given by a company secretary in practice, in such form as may be specified shall be annexed with its the annual report of listed entity, with effect from the year ended March 31, 2019.</p> <p><u>Insertion of new sub-regulation (2)</u></p> <p>(2) Every listed entity shall submit a secretarial compliance report in such form as may be specified, to stock exchanges, within sixty days from end of each financial year.</p>	<p>i) Secretarial Audit Report (listed entity and its material subsidiaries)</p> <p>ii) Secretarial Compliance Report.</p> <p>Since the secretarial compliance report is a subset of the broader secretarial audit report, it is proposed to insert a sub-regulation under 24A which specifically requires listed entities to submit secretarial compliance report within sixty days from end of each financial year.</p>
26 (4)	<p>Regulation 26 (4) - Obligations with respect to employees including senior management, key managerial persons, directors and promoters</p> <p>Non-executive directors shall disclose their shareholding, held either by them or on a beneficial basis for any other persons in the listed entity in which they are proposed to be appointed as directors, in the notice to the general meeting</p>	<u>Proposed to be deleted</u>	<p>Both regulation 26 (4) and regulation 36 (3) (e) mention that non-executive directors shall disclose their shareholding (in the listed entity) at the time of their appointment. While regulation 26 (4) includes disclosure of shareholding held on a beneficial basis, there is no such requirement in regulation 36 (3) (e).</p> <p>In view of the overlap between the above provisions, the following is proposed:</p> <ul style="list-style-type: none"> • Regulation 26 (4) may be deleted • The language for the disclosure of shareholding by non-executive directors (NED) may be modified in order to clarify that such

Sub-regulation/ Clause / Schedule	Current Provision in the LODR	Proposed changes	Rationale
	called for appointment of such director.		disclosures include shareholding where the NED is the beneficial owner.
36(3)	<p>Regulation 36 (3) – documents and information to shareholders</p> <p>In case of the appointment of a new director or re-appointment of a director the shareholders must be provided with the following information:</p> <p>(a) a brief resume of the director;</p> <p>(b) nature of <u>his</u> expertise in specific functional areas;</p> <p>(c) disclosure of relationships between directors inter-se;</p> <p>(d) names of listed entities in which the person also holds the directorship and the membership of Committees of the board; and</p> <p>(e) shareholding of non-executive directors.</p>	<p>In case of the appointment of a new director or re-appointment of a director the shareholders must be provided with the following information:</p> <p>.....</p> <p>b) nature of his expertise in specific functional areas;....</p> <p>....</p> <p>(e) shareholding of non-executive directors in the listed entity, including as a beneficial owner.</p>	<p>Additionally, the term 'his' in regulation 36 (3) (b) is superfluous and may be deleted.</p>
27(2)(a)	(2) (a) The listed entity shall submit a quarterly compliance report on corporate governance in the format as specified by the Board from time to time to the recognised stock exchange(s) within fifteen days from close of the quarter.	(2) (a) The listed entity shall submit a quarterly compliance report on corporate governance in the format as specified by the Board from time to time to the recognised stock exchange(s) within fifteen twenty one days from close of the quarter.	The time limit for periodic filings to be made by the listed entities viz., Investor Grievance Report, Corporate Governance Report and Shareholding pattern, has been harmonized to twenty one days for the purpose of evolving a uniform compliance calendar and ease of filing.
29(1)(f)	<p>Regulation 29 (1) (f) – Prior intimations</p> <p>The listed entity shall give prior intimation to stock</p>	The listed entity shall give prior intimation to	Vide SEBI (LODR) (Amendment) Regulations, 2018, the following proviso to Regulation 29 (1) (f) was omitted:

Sub-regulation/ Clause / Schedule	Current Provision in the LODR	Proposed changes	Rationale
	exchange about the meeting of the board of directors in which any of the following proposals is due to be considered: (f) the proposal for declaration of bonus securities <u>where such proposal is communicated to the board of directors of the listed entity as part of the agenda papers:</u>	stock exchange about the meeting of the board of directors in which any of the following proposals is due to be considered: (f) the proposal for declaration of bonus securities where such proposal is communicated to the board of directors of the listed entity as part of the agenda papers:	<i>Provided that in case the declaration of bonus by the listed entity is not on the agenda of the meeting of board of directors, prior intimation is not required to be given to the stock exchange(s)</i> The above amendment was pursuant to the report of the Kotak Committee which recommended that that in view of the price sensitive nature of bonus issues, advance notice for consideration of bonus issue by the board should be required to be submitted to stock exchanges. The intent of the above recommendation was that advance notice should be given for consideration of bonus issue by the board of listed entity, irrespective of whether the same forms part of the agenda papers. For harmonious construction and interpretation of the recommendation, it is proposed that the highlighted phrase - <u>where such proposal is communicated to the board of directors of the listed entity as part of the agenda papers</u> - may be deleted.
44 (3)	The listed entity shall submit to the stock exchange, within forty eight hours of conclusion of its General Meeting, details regarding the voting results in the format specified by the Board.	The listed entity shall submit to the stock exchange, within forty eight hours two working days of conclusion of its General Meeting, details regarding the voting results in the format specified by the Board.	There may be instances where voting in a general meeting may end on a Thursday/ Friday. In such cases, disclosing voting results within 48 hours may be burdensome because lesser working hours are available before the deadline for disclosure. To ease the burden on listed entities, it is proposed to substitute the phrase “forty eight hours” with “two working days”.
46(2) (s)	separate audited financial statements of each subsidiary of the listed entity in respect of a relevant financial year, uploaded at least 21 days	separate audited financial statements of each subsidiary of the listed entity in respect of a relevant financial year,	To harmonize the provisions under the Companies Act, 2013 and LODR Regulations. Further, on May 30, 2019, SEBI had issued informal guidance to HCL

Sub-regulation/ Clause / Schedule	Current Provision in the LODR	Proposed changes	Rationale
	prior to the date of the annual general meeting which has been called to inter alia consider accounts of that financial year	<p>uploaded at least 21 days prior to the date of the annual general meeting which has been called to inter alia consider accounts of that financial year</p> <p><u>Insertion of new proviso</u></p> <p>Provided that a listed entity which has a subsidiary incorporated outside India (herein referred to as "foreign subsidiary")—</p> <p>(a) where such foreign subsidiary is statutorily required to prepare consolidated financial statement under any law of the country of its incorporation, the requirement of this proviso shall be met if consolidated financial statement of such foreign subsidiary is placed on the website of the listed entity;</p> <p>(b) where such foreign subsidiary is not required to get its financial statement audited under</p>	Technologies Limited, clarifying the position that in cases where a foreign subsidiary is not obligated to get its financial statements audited, the listed company can comply with Regulation 46(2)(s) by placing such unaudited financial statements on its website. Further, SEBI opined that in cases where the foreign subsidiary is required under any law of the country of its incorporation to prepare consolidated financial statements, the listed company can place such consolidated financial statements on its website.

Sub-regulation/ Clause / Schedule	Current Provision in the LODR	Proposed changes	Rationale
		any law of the country of its incorporation and which does not get such financial statement audited, the holding Indian listed entity may place such unaudited financial statement on its website and where such financial statement is in a language other than English, a translated copy of the financial statement in English shall also be placed on the website.	
46 (2)	The listed entity shall disseminate the following information 101[under a separate section on its website]: (a) (b) ... (s)	<u>Insertion of new clauses</u> (t) annual return as prescribed under section 92 of the Companies Act, 2013 and the rules made thereunder; (u) disclosures under regulation 30(8) of these regulations	Section 92(3) of the Companies Act requires every company to place a copy of the annual return on the website of the company, if any, and the web-link of such annual return shall be disclosed in the board's report. In order to harmonize the disclosures on the websites of listed entities under the Companies Act, 2013 and LODR Regulations, it is proposed to mandate disclosure of the annual return on the website of listed entities. Further, regulation 30 (8) requires listed entities to disclose on its website all material events or information which has been disclosed to stock exchange(s). The insertion of the new sub-clause (s) is

Sub-regulation/ Clause / Schedule	Current Provision in the LODR	Proposed changes	Rationale
			proposed so that all disclosures that listed entities have to make on their websites, are contained under Regulation 46 (2).
Schedule V	<p>Part C. Corporate Governance Report:</p> <p>(1)</p> <p>(2)</p> <p>.</p> <p>(5) Remuneration of Directors</p> <p>(a) ...</p> <p>(b)</p> <p>(c)</p> <p>(6) Stakeholders' grievance committee</p> <p>(a)</p> <p>(b)</p> <p>(c)</p> <p>(d)</p> <p>(e)</p>	<p>Part C. Corporate Governance Report:</p> <p>(1)</p> <p>(2)</p> <p>...</p> <p><u>Re-arrangement of clause 5 and 6</u></p> <p>(5) Remuneration of Directors</p> <p>(a)</p> <p>(b)</p> <p>(c)</p> <p>Stakeholders' grievance committee</p> <p>(a) name of non-executive director heading the committee;</p> <p>(b) name and designation of compliance officer;</p> <p>(c) number of shareholders' complaints received so far;</p> <p>(d) number not solved to the satisfaction of shareholders;</p> <p>(e) number of pending complaints.</p> <p><u>Insertion of new clause</u></p> <p>(5A) Risk management committee:</p> <p>(a) brief description of terms of reference;</p> <p>(b) composition, name of members and chairperson;</p>	<p>At present, details of audit committee, nomination and remuneration committee and stakeholders' grievance committee are included in the CG report. On the same lines, the details related to risk management committee are proposed to be included.</p> <p>Further, details related to all the committees are placed together.</p>

Sub-regulation/ Clause / Schedule	Current Provision in the LODR	Proposed changes	Rationale
		<p>(c)meetings and attendance during the year; (d) recommendations and action to be taken to address risk related issues and its implementation and deviations, if any.</p> <p>(6) Stakeholders' grievance committee (a) (b) (c) (d) (e) Remuneration of directors (a) all pecuniary relationship or transactions of the non-executive directors visà-vis the listed entity shall be disclosed in the annual report; (b) criteria of making payments to non-executive directors. alternatively, this may be disseminated on the listed entity's website and reference drawn thereto in the annual report; (c) disclosures with respect to remuneration: in addition to disclosures required under the Companies Act, 2013, the following disclosures shall be made: (i) all elements of remuneration package of individual directors summarized under major groups,</p>	

Sub-regulation/ Clause / Schedule	Current Provision in the LODR	Proposed changes	Rationale
		<p>such as salary, benefits, bonuses, stock options, pension etc;</p> <p>(ii) details of fixed component and performance linked incentives, along with the performance criteria;</p> <p>(iii) service contracts, notice period, severance fees;</p> <p>(iv) stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable.</p>	

Note: Appropriate amendments will be made to the LODR Regulations, in order to maintain gender neutrality.