

RECENT AMENDMENTS IN SEBI (LODR) COMPLIANCES



**PRESENTED BY CS L.N. JOSHI
PRACTICING COMPANY SECRETARY, INDORE**

☎: +91-94250-60308

✉: lnjoshics@gmail.com

OBLIGATIONS OF CHAPTER IV (Reg. 15)

EQUITY

Non-Applicability of Regulation 17 to 27 and 46(2)(b) to (i) and (t) and Para C, D and E of Schedule V

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

Entity which has listed its specified securities on the SME exchange

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.

once the above regulations become applicable, they shall continue to remain applicable till such time the equity share capital or the net-worth of such entity reduces and remains below the specified threshold for a period of **three consecutive financial years**



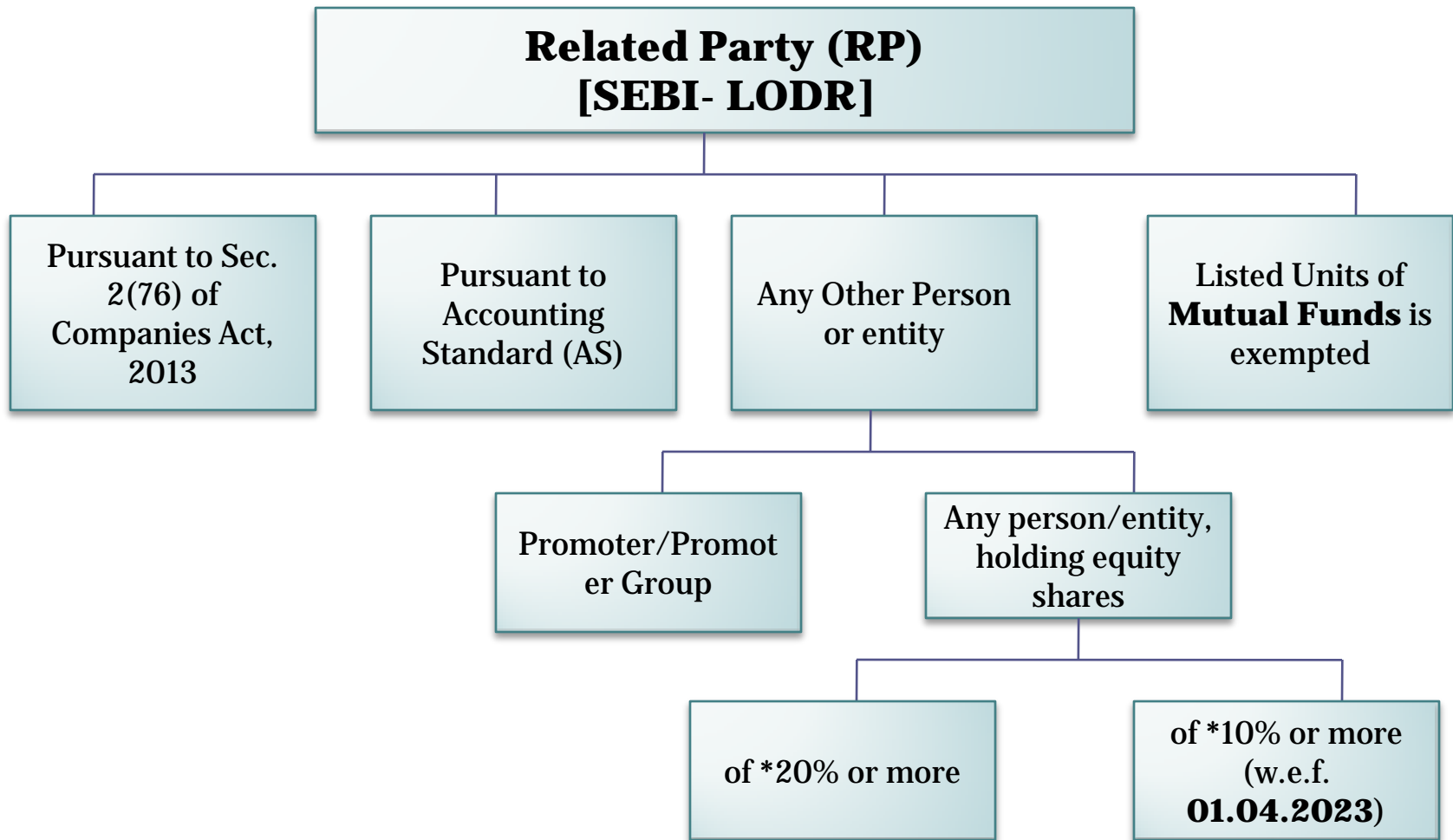
**MAJOR
DEFINITIONS
CHANGED**

MAINSTREAM MEDIA [Regulation 2(ra)] w.e.f. 15.07.2023

shall include print or electronic mode of the following:

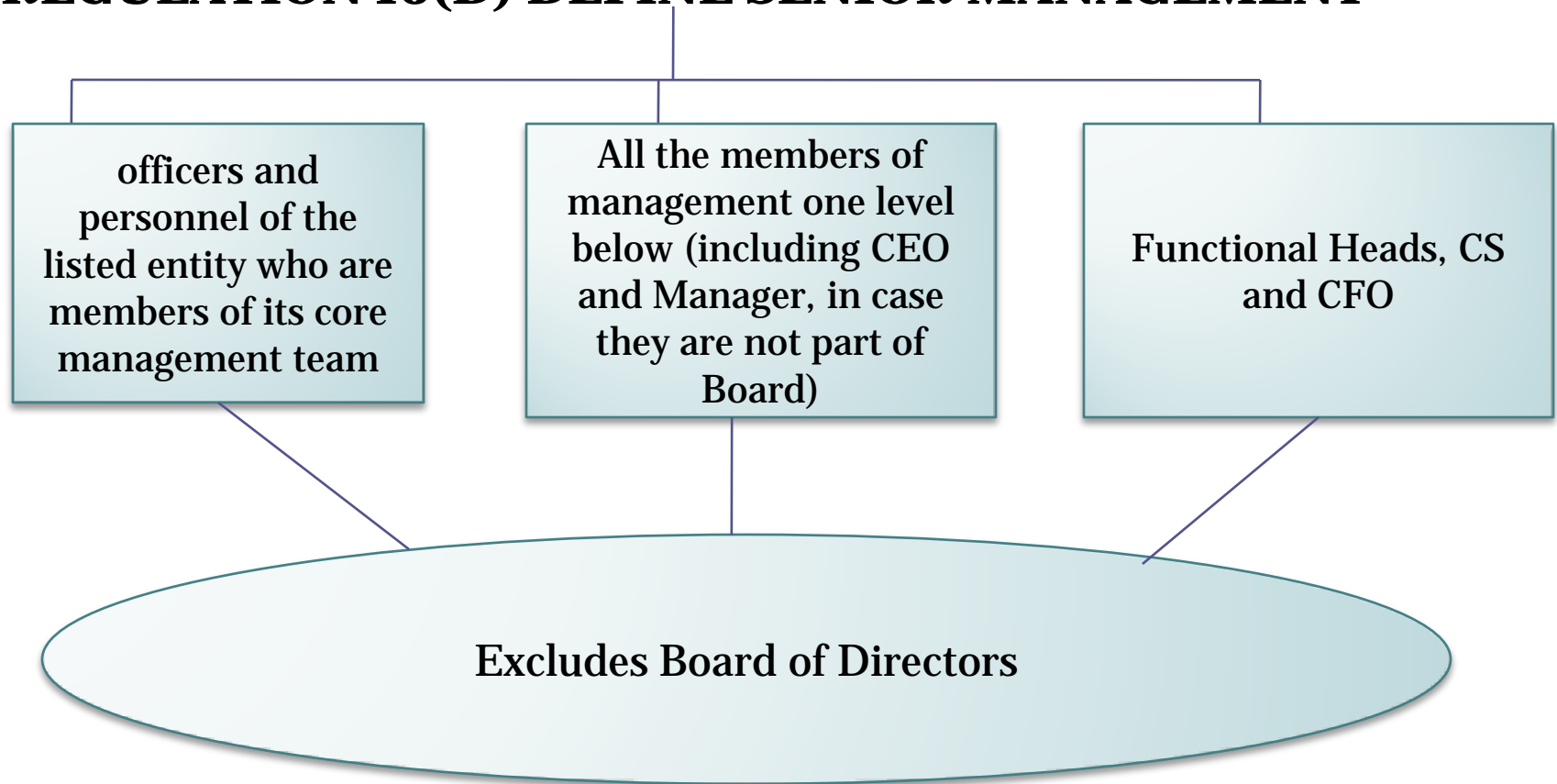
- i. Newspapers **registered** with the Registrar of Newspapers for India;
- ii. News channels permitted by **Ministry of Information and Broadcasting** under Government of India;
- iii. Content published by the publisher of **news and current affairs** content as defined under the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021; and
- iv. Newspapers or news channels or news and current affairs content similarly **registered or permitted or regulated**, as the case may be, in jurisdictions **outside India**;

Related Party [Regulation 2(zb)]



SENIOR MANAGEMENT w.e.f. 17.01.2023

REGULATION 16(D) DEFINE SENIOR MANAGEMENT



Compliance Officer and his /her Obligations Reg.6

A listed entity shall appoint a **qualified company secretary** as the compliance officer.

Amendment notified w.e.f. 15.07.2023

Any vacancy in the office of the Compliance Officer should be filled not later than 3 months from the date of such vacancy

Provided such appointment shall not be made in an Interim capacity unless made in accordance with law

Grievance Redressal Mechanism Reg.13

Amendments w.e.f. 18.08.2023

- (1) The listed entity shall redress investor grievances promptly **but not later than twenty-one calendar days** from the date of receipt of the grievance and in such manner as may be specified by the Board**

- (5) The Board may also recognize a body corporate for handling and monitoring the process of grievance redressal within such time and in such manner as may be specified.**

Regulation 17 Major amendments

- No listed entity shall appoint a person or continue the directorship of any person as a **non-executive director** who has attained the age of **seventy five years** unless a special resolution is passed
- Approval of shareholders for appointment [**or re-appointment w.e.f. 17.01.2023**] of a person on the Board of Directors or as a manager in next general meeting or within a time period of three months from the date of appointment, whichever is earlier
- With effect from **April 1, 2024**, the **continuation of a director** serving on the board of directors of a listed entity shall be subject to the approval by the shareholders in a general meeting **at least once in every five years from the date of their appointment or reappointment**, as the case may be

Existing director as on March 31, 2024, without the approval of the shareholders for the last five years or more shall be subject to the approval of shareholders in the first general meeting to be held after March 31, 2024:

Not applicable in case of Whole-Time Director, Managing Director, Manager, Independent Director or a Director retiring as per the sub-section (6) of Section 152 of the Companies Act, 2013,

(1E) Any vacancy in the office of a director shall be filled by the listed entity at the earliest and in any case not later than three months from the date such vacancy

Provided that if the listed entity becomes non-compliant with the requirement under sub-regulation (1) of this regulation, due to expiration of the term of office of any director, the resulting vacancy shall be filled by the listed entity not later than the date such office is vacated:

Provided further that this sub-regulation shall not apply if the listed entity fulfils the requirement under sub-regulation (1) of this regulation without filling the vacancy.]

Regulation 26A w.e.f 15.07.2023

Any vacancy in the office of the Key Managerial Personnel, should be filled not later than 3 months from the date of such vacancy

Provided such appointment shall not be made in an Interim capacity unless made in accordance with law

Regulation 27(2)(ba) w.e.f 15.07.2023

Disclosure requirement: Details of cyber security incidents or breaches or loss of data or documents shall be disclosed along with the Corporate Governance Report on a quarterly basis within 21 days

Regulation 33 (3)(j) w.e.f.15.07.2023

Newly listed entities, to submit its financial results for the **quarter or financial year** immediately succeeding the period for which the financial statements have been **disclosed in the offer document for the IPO** in accordance with the prescribed timeline specified for submissions of ***quarterly results (45 days)/ Annual financial results (60 days) or within 21 days** from the date of listing, **whichever is later.**

Regulation 37A w.e.f. 15.06.2023

Sale/ Lease/Disposal of the whole or substantially whole of the Undertaking Outside Scheme of Arrangement

- *Explanatory Statement to disclose the purpose, commercial rationale & use of proceeds*
- *Undertaking shall have same meaning as per section 180 of the Companies Act. Prior approval of shareholders by way of Special Resolution*
- *Majority voting required from public shareholders*
- *Related party shall not vote*
- *Exempted if transfer of undertaking to wholly owned subsidiary company*

Regulation 30(4) - Materiality Disclosure of events and information Quantitative threshold w.e.f. 15.07.2023

Following Criteria for determination of materiality of events

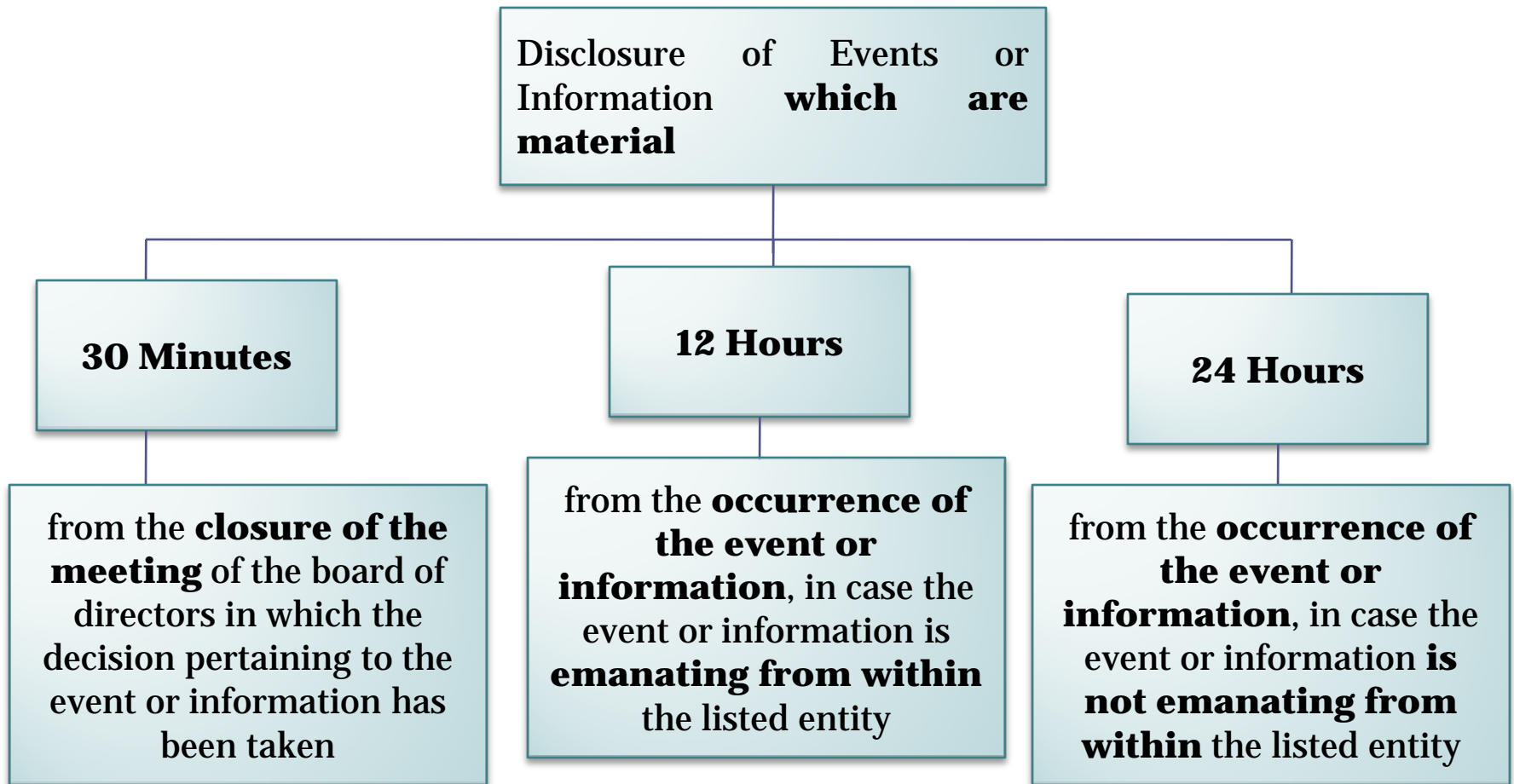
- (a) Any information or event likely to result in **alteration of event or information available publicly or**
- (b) likely to result in **a significant market reaction if the same is known at a later date**
- (c) Such event or information, whose value or the expected impact in terms of value **exceeds the lower of the following**
 - (1) two percent of turnover, as per the last audited consolidated financial statements of the listed entity;
 - (2) two percent of net worth, as per the last audited consolidated financial statements of the listed entity, except in case the arithmetic value of the net worth is negative;
 - (3) five percent of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the listed entity;]

an event or information may be treated as being material if
in the opinion of the board of directors of the listed entity,
the event or information is considered material

There is **no mandatory requirement** for the amendment to the Materiality Policy, however,

- Existing Policy **shall not dilute** the new requirements of disclosures
- Existing Policy must **assist the relevant employees** in identifying any potential material event or information and reporting it to the KMP for making necessary disclosure to the stock exchange.

Regulation 30(6) – Substituted -Timeline for Disclosure of events or information to the stock exchange



Regulation 30 (11)– Altered -Market Rumours

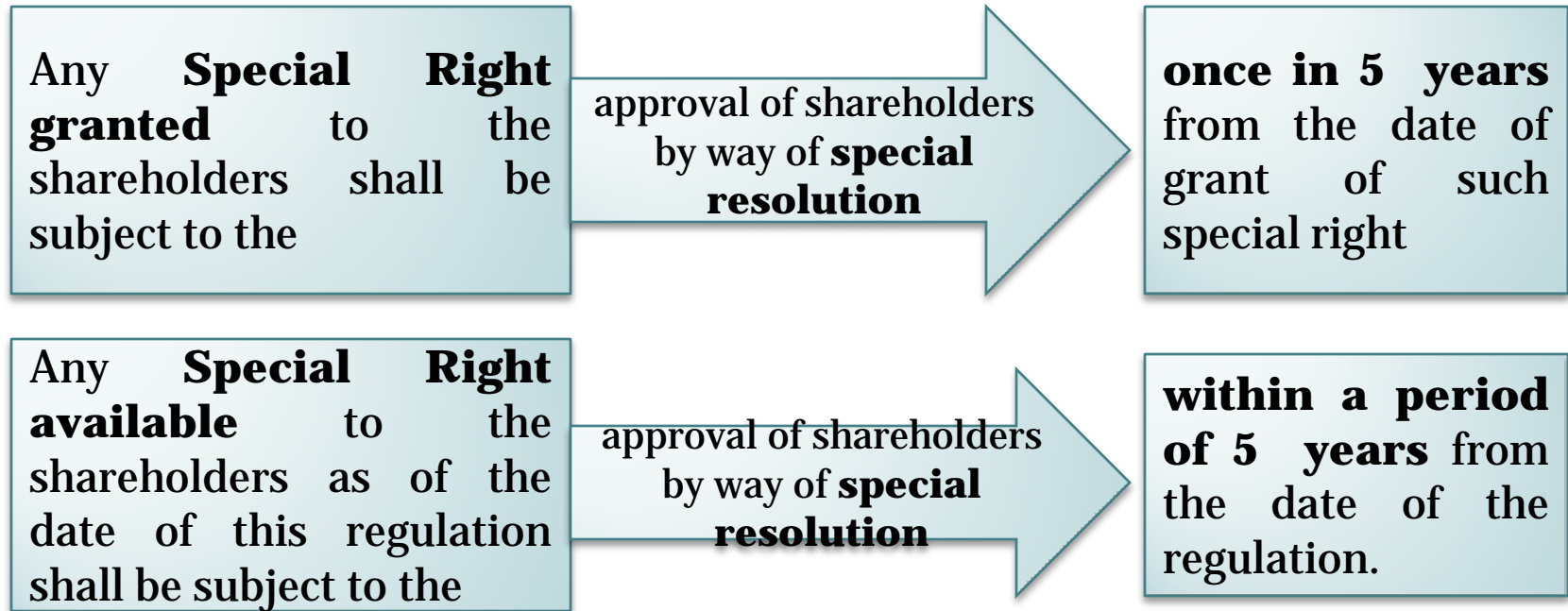
Effective from **October 1, 2023**, the **top 100** listed entities and from **April 1, 2024**, the **top 250** listed entities, based on market capitalization as on the end of the preceding FY, are mandated to **confirm, deny, or clarify** as soon as **reasonably possible and not later than 24 hours** of reporting any event or information in the mainstream media, which is **not general in nature** and which indicates that rumours of an impending specific material event or information are circulating amongst the investing public.

If the listed entity **confirms** the reported events or information, then it has to provide the **current stage** of such event or information.

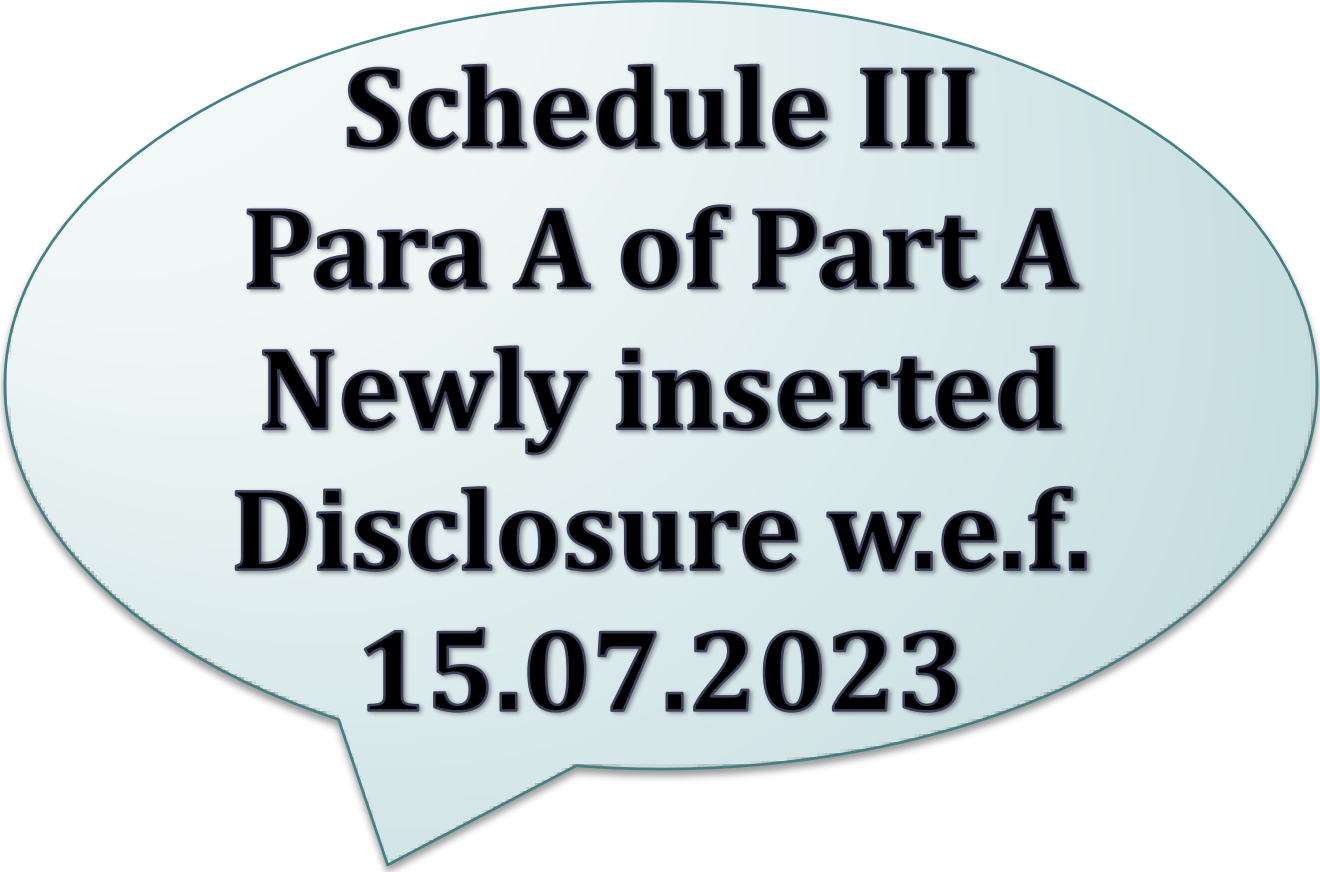
Regulation 30 (13)- Receipt of communication from any authority

In case an event or information is required to be disclosed by the listed entity in terms of the provisions of this regulation, pursuant to the **receipt of a communication from any regulatory, statutory, enforcement or judicial authority**, the listed entity shall disclose such communication, along with the event or information, **unless disclosure of such communication is prohibited by such authority**.

Regulation 31B—Newly inserted--Special rights to shareholders



Exemption: For special rights which are made available to a **Financial Institution** registered with or regulated by the RBI or to a **Debenture Trustee** registered with the SEBI, if they become a shareholder as a consequence of a lending or subscription agreement



**Schedule III
Para A of Part A
Newly inserted
Disclosure w.e.f.
15.07.2023**

1. Acquisition (including an agreement to acquire), Scheme of Arrangement, sale or disposal of any units, divisions, **whole or substantially the whole of undertaking** or subsidiary of the listed entity **sale of a stake in the associate company of the listed entity** or any other restructuring,

3. New Rating(s) or Revision in Rating(s)

5A. Agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the listed entity or of its holding, subsidiary or associate company, among themselves or with the listed entity or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the listed entity or impose any restriction or create any liability upon the listed entity, shall be disclosed to the Stock Exchanges, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not the listed entity is a party to such agreements.

6. Fraud or defaults by **a listed entity, its promoter, director, key managerial personnel, senior management or subsidiary** or arrest of key managerial personnel, **senior management, promoter or director of the listed entity, whether occurred within India or abroad.**

7. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), **[senior management,]** Auditor and Compliance Officer.

7C. In case of resignation of **key managerial personnel, senior management, Compliance Officer or director other than an independent director**; the letter of resignation along with detailed reasons for the resignation as given by the key managerial personnel, senior management, Compliance Officer or director shall be disclosed to the stock exchanges by the listed entities **within seven days*** from the date that such resignation comes into effect.

7D. In case the **Managing Director or Chief Executive Officer** of the listed entity was **indisposed or unavailable to fulfill the requirements** of the role in a regular manner for more than forty five days in any rolling period of ninety days, the same along with the reasons for such indisposition or unavailability, shall be disclosed to the stock exchange(s).

11. **BIFR**, winding-up petition filed by any party / creditors

18. Announcement or communication through social media intermediaries or mainstream media by directors, promoters, KMP or senior management of a listed entity, in relation to **any event or information which is material for the listed entity** and which is not already made available in the public domain to be disclosed by the listed entity.

“SOCIAL MEDIA INTERMEDIARIES” shall have the same meaning as defined under the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021.

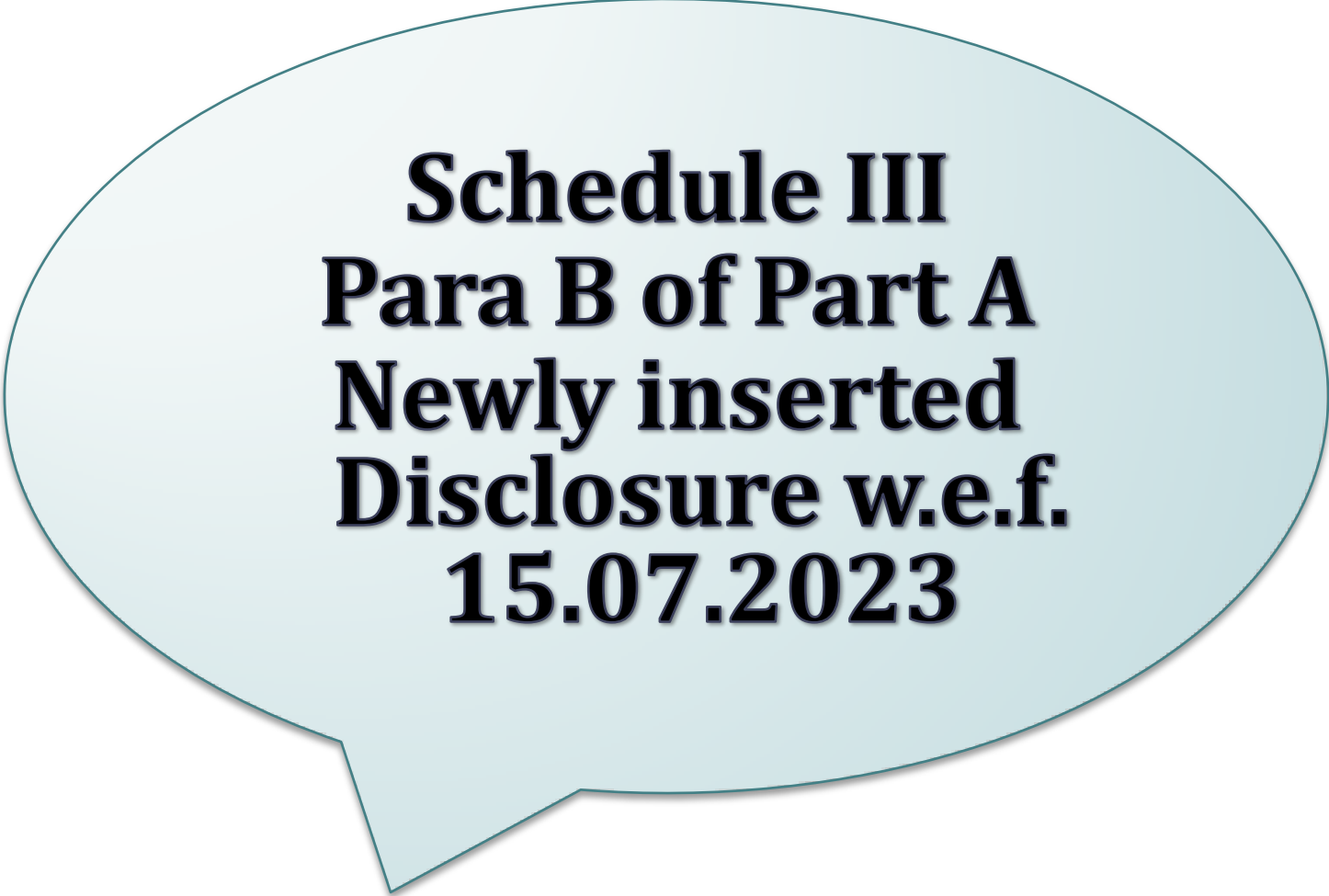
19. Action(s) initiated or orders passed by any regulatory, statutory, enforcement authority or judicial body against the listed entity or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the listed entity, in respect of following-

- search or seizure
- re-opening of accounts
- Investigation under CA 2013

20. Action(s) taken or orders passed by any regulatory, statutory, enforcement authority or judicial body against the listed entity or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the listed entity, in respect of the following:

- (a) suspension;
- (b) imposition of fine or penalty;
- (c) settlement of proceedings;
- (d) debarment;
- (e) disqualification;
- (f) closure of operations;
- (g) sanctions imposed;
- (h) warning or caution; or
- (i) any other similar action(s)

21. Voluntary revision of **financial statements or the Board Report**



**Schedule III
Para B of Part A
Newly inserted
Disclosure w.e.f.
15.07.2023**

2. Any of the **following events** pertaining to the listed entity:

(a) arrangements for strategic, technical, manufacturing, or marketing tie-up; or

(b) adoption of new line(s) of business; or

(c) closure of operation of any unit, division or subsidiary (in entirety or in piecemeal).

8. Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the listed entity.

9. Frauds or defaults by employees of the listed entity which has or may have an impact on the listed entity.

13. Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority.

Timeline to disclose events to Stock Exchange

- within **12 hours** from the occurrence of event or information
- or
- within **30 minutes** if the decision is taken in the Board Meeting



Schedule V

Schedule V Annual Report

Newly inserted- Disclosure

- Particulars of senior management including the changes therein since the close of the previous financial year.
- Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries w.e.f. 17.01.2023
- Disclosure of certain types of agreements binding listed entities
Information disclosed under clause 5A of paragraph A of Part A of Schedule III of these regulations. **W.e.f.15.07.2023**



**QUARTERLY
COMPLIANCES**

S.NO.	PARTICULARS	TIMELINES
1	Trading Window Closure intimation (in pdf and xbrl form)	At least 2 trading days prior to the commencement of trading window closure date (T-2 days).
2	Certificate under 74(5) of DP	Within 10 days from Months/Quarter end
3	Regulation 13 (3) – Statement of Grievance Redressal Mechanism (in XBRL form only)	Within 21 days from the end of each quarter
4	Regulation 27 (2) – Corporate Governance in XBRL Form	Within 21 days from quarter end
5	Regulation 31 – Shareholding Pattern in XBRL Form.	Within 21 days from quarter end
6	Reconciliation of Share Capital Audit. (SEBI- DP Reg.55A) (IN PDF & XBRL form)	Within 30 days from quarter end (in single tab w.e.f. 30.12.2023)
7	Regulation 29 - Notice of Board meeting	Different time period in CA, LODR, SS

8	SDD Compliance Certificate	Within 21 days from quarter end except to those companies for which Regulation 24A are applicable.
9	Regulation 32(1) Statement of Deviation	Same day of filing Quarterly financial results
10	Regulation 33 – Financial Results along with Limited review report/Auditor’s report	Within 45 days from quarter end
11	Outcome of Board Meeting (In pdf and xbrl)	With in 30 minutes of conclusions of Meeting
12	Inform and recording of intimation of UPSI to every designated person in software and noted each sharing in software. Back dated entry not allowed	Immediately on date of calling meeting of Board
13	MD/CFO certificate	Quarterly part of Financial Results
14	Newspaper Publication and submission to exchange (Extract of Results)	Published within 48 hours of conclusion of the meeting of board of directors at which financial results were approved



**HALF YEARLY
COMPLIANCES**

S.NO.	PARTICULARS	TIMELINES
1	Regulation 23(9) disclosure of Related party transactions (<i>only in XBRL Form</i>)	Every six months on the date of publication of its standalone and consolidated financial results with effect from April 1, 2023



ANNUAL COMPLIANCE

ANNUAL COMPLIANCE

S.NO.	PARTICULARS	TIMELINES
1	Regulation 7(3) – Compliance Certificate certifying relating to share transfer facility	Within 30 days from the end of the financial year.
2	Regulation 14 Listing fees and other charges	Within 30 days from end of financial year
3	Regulation 24 A Secretarial Compliance Report	Within 60 days from end of financial year
4	Regulation 33 – Financial Results (For last quarter and year to date)	Within 60 days from end of Financial Year
5	Regulation 34 –Annual Report	Not later than the day of commencement of dispatch to its shareholders.

6	Regulation 34(2)(f) - Business Responsibility and Sustainability Report applicable to top 1000 listed entities)	w.e.f. 15.06.2023 required to attach in Annual Report
7	Regulation 40(10) – Certificate from Practicing Company Secretary	Within 30 days of end of the financial year.
8	Disclosure of Initial Disclosure Large Corporate Annual Disclosure requirements for large entities	Within 30 days from the end of the financial year Within 45 days of the end of the FY
9	Filing of XBRL of financials filed with ROC (Both Standalone and Consolidate)	Immediately on date of filing with roc



OTHER COMPLAINCES

OTHER EVENT COMPLIANCES

S.NO.	PARTICULARS	TIMELINES
1	Regulation 7(5) – Intimation of appointment of Share Transfer Agent	Within 7 days of Agreement with RTAs
2	Website Up-dation	Website within two working days from the date of such change in content.
3	Regulation 28(1) - In-principle approval of recognized stock exchange(s)	Before issuing securities
4	Regulation 29 (2) (a) - Prior intimation of Board meeting for Financial Results	At least five days in advance (excluding the date of the intimation and date of the meeting)
5	Regulation 29(2)(b) to (f) - Prior intimation of Board meeting for Buyback, Dividend, Raising of Funds, Voluntary Delisting, Bonus, etc.,	At least two working days in advance (excluding the date of the intimation and date of the meeting)
6	Regulation 29(3) –Prior intimation of Board Meeting for alteration in nature of securities etc.	At least eleven working days in advance

S. NO.	PARTICULARS	TIMELINES
7	Regulation 30 (6) – Disclosure of events or information	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 (revised time line w.e.f. 15.07.2023)
8	Regulation 30 (6) – Disclosure of events or information	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 conclusion of the board meeting
9	summary of proceeding of AGM to exchange	with in 12 hours of AGM w.e.f. 15.07.2023
10	Regulation 31(1)(a) – Shareholding Pattern prior to listing of securities	One day prior to listing of its securities
11	Regulation 31(1)(c) – Shareholding Pattern in case of capital restructuring	Within 10 days of any change in total paid up capital +/- 2%
12	E-voting result XBRL and scrutinizer report to the exchange	Within two working days of conclusion of Meeting

S.NO.	PARTICULARS	TIMELINES
13	Regulation 39(3) - Loss of share certificates and issue of the duplicate certificates/ Letter of Confirmation (in pdf and xbrl)	Within two days of its getting information
14	Regulation 42(2) - Record Date for dividend, bonus, rights etc.,	Advance notice of at least seven working days (excluding the date of intimation and the record date) to stock exchange(s) specifying the purpose of the record date
15	Regulation 42(3) - Record Date	Recommend or declare all dividend and/or cash bonuses at least five working days (excluding the date of intimation and the record date) before the record date fixed.
16	Regulation 42 (5) - Book Closure	Before Seven working days. The listed entity shall ensure that there is a time gap of at least thirty days between two dates of closure of its transfer books.



**XBRL
AVAILABLE FOR
FILING AT
EXCHANGE**

1	Regulation 13 (3) - Statement of Investor complaints
2	Regulation 27 (2) - Corporate Governance
3	Regulation 31 - Shareholding Pattern
4	Reconciliation of Share Capital Audit
5	Regulation 33 - Financial Results – (Standalone and consolidate)
6	Regulation 44 – Voting Result
7	Regulation 7(2) - SEBI (PIT) Regulations, 2015
8	Regulation 32 (1) - Statement of deviation/variation (w.e.f. 21.07.2020)
9	Regulation 24A - Secretarial Compliance Report
10	Regulation 42 – Record Date/ Date of closure of transfer book
11	Regulation 23 (9) - Related Party Transactions
12	Business Responsibility and Sustainability Reporting
13	Regulation 29- Prior Intimation of Board Meeting (w.e.f. 28.01.2023)
14	Regulation 30- Change in directors, key managerial personnel, Auditor, Compliance Officer, Share transfer agent

15	Regulation 30- Acquisition(s) (including agreement to acquire), Scheme of Arrangement, or sale or disposal of any unit(s), division(s) or subsidiary of the listed entity or any other restructuring (w.e.f. 28.01.2023)
16	Regulation 30- Outcome of Board Meeting for Dividend, Bonus, Voluntary Delisting and Buyback (w.e.f. 28.01.2023)
17	Regulation 30- Issuance or forfeiture of securities and any other Corporate Action. (w.e.f. 01.04.2023)
18	Regulation 30- Agreements (w.e.f. 01.04.2023)
19	Regulation 30- Fraud/defaults by promoter or key managerial personnel or by listed entity or arrest of key managerial personnel or promoter. (w.e.f. 01.04.2023)
20	Regulation 30- One time settlement with a bank (w.e.f. 01.04.2023)
21	Regulation 30- Resolution plan/ Restructuring in relation to loans/borrowings
22	Regulation 30- Notice of Shareholders Meeting (w.e.f. 01.04.2023)
23	Closure of Trading Window (w.e.f. 09.12.2023)
24	Regulation 39- Loss of Share Certificate and Issue of Duplicate Share Certificate or Letter of Confirmation (w.e.f. 09.12.2023)
25	Corporate Insolvency Resolution Process (w.e.f. 09.12.2023)

PENALTY

FINE



PENALTY / FINE

S. No.	Regulation	Fine payable and/or other action to be taken for non-compliance in respect of listed entity
1.	<p>Regulation 6(1)- CS</p> <p>Regulation 7(1)- RTA</p> <p>Regulation 13(1)*- expeditious redressal of investor complaints</p> <p>Regulation 13(3)- Non-submission of the statement on shareholder complaints</p> <p>Regulation 32(1)- deviations/ variations in utilization of issue proceeds</p>	₹ 1,000 per day
2	<p>Regulation 17(1A)- appointment or continuation of Non-executive director (Age <75 years)</p> <p>Regulation 18(1)- constitution of audit committee</p> <p>Regulation 19(1)/ 19(2)- constitution of nomination and remuneration committee</p> <p>Regulation 20(2) / (2A)- constitution of stakeholder relationship committee</p> <p>Regulation 21(2)- constitution of risk management committee</p> <p>Regulation 24A- Submission of Annual Secretarial Compliance Report</p> <p>Regulation 27- Submission of CGR</p> <p>Regulation 31- SHP</p> <p>Regulation 34- Non-submission of the Annual Report</p>	₹ 2,000 per day

3	<p>Regulation 17(1)- composition of the Board Regulation 23(9)- Disclosure of RPT Regulation 31A(3)(a)- reclassification application Regulation 33- Financial Results (Levy of fine is in addition to the requirement of providing reasons for non-submission of the financial result as per circular no. CIR/CFD/CMD-1/142/2018 dated November 19, 2018.</p>	₹ 5,000 per day
4	<p>Regulation 17(2)- Number of BM Regulation 17(2A)- Quorum of BM Regulation 44(3)- voting results</p>	₹ 10,000 per instance
5	<p>Regulation 29(2)/29(3)- prior intimation of BM Regulation 42(2)/42(3)/ 42(4)/42(5)- Delay in/ non-disclosure of record date/ dividend declaration or non-compliance with ensuring the prescribed time gap between two record dates/ book closure dates</p>	₹ 10,000 per instance of non-compliance per item
6	<p>Regulation 43A- Dividend Distribution Policy in the Annual Report and on the websites Regulation 44(5)- Non-convening of AGM within a period of five months from the close of financial year. Regulation 45(3)- Non-obtaining approval of stock exchange(s) before filing request for change of name with ROC</p>	₹ 25,000 per instance

7	Regulation 28 (1)- In Principle Approval	₹ 50,000 per instance
8	Regulation 46- functional website	Advisory/warning letter per instance of non-compliance per item ₹ 10,000 per instance for every additional advisory/warning letter exceeding the four advisory/ warning letters in a financial year

*Fines would be imposed even during suspension period for non-compliance of regulation 13(1), the modalities of the same would be dealt as part of a separate circular.

- Freezing of entire shareholding of the promoter(s) in such non-compliant listed entity as well as all other securities held in the demat account of the promoter(s).
- Moving of securities shifting to Z category
- Suspension of Trading

Any Questions



Thank
you!

gettyimages®
Credit: artvea