



# AMIT BACHHAWAT'S TRAINING FORUM

## CS - Professional Programme (Old Syllabus)

Secretarial Audit, Compliance Management and Due diligence

### Contents

- 1 SEBI ICDR Including Exit Opportunity
- 2 SEBI Amendments On Preferential Issue
- 3 SEBI Delisting And Takeover
- 4 SEBI LODR

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## All the amendments already done in the Class

### On request we have uploaded SEBI ICDR Some More Recent Amendments in 2015 2016

- (1) No issuer shall make
  - (a) A public issue of equity securities, if the issuer or any promoters or directors is a willful defaulter; or
  - (b) A public issue of convertible debt instruments if,
    - (i) The issuer or any or any of its promoter or directors is a willful defaulter, or
    - (ii) It is in default of payment of interest or repayment of principal amount in respect of debt instruments
- (2) An issuer making a rights issue of specified securities, shall make disclosures as specified in part G of schedule VIII, in the offer document and a bridged letter of offer, if the issuer or any of its promoters or directors is a willful defaulter.
- (3) In case of a rights issue of specified securities referred to in sub-regulation (6) above, the promoter or promoter group of the issuer, shall not renounce their right except to the extent of renunciation within the promoter group  
In all –
  - (i) Public issues, the issuer shall accept bids using only ASBA facility in the manner specified by the Board;
  - (ii) Rights issues, where not more than one payment option is given, the issuer shall provide the facility of ASBA in accordance with the procedure and eligibility criteria specified by the Board: Provided that in case of qualified institutional buyers and non-institutional investors the issuer shall accept bids using ASBA facility only.

### Post-issue reports

- (1) In public issue, the lead merchant bankers shall submit final post-issue report as specified in part C of Schedule XVI, within seven days of the date of finalization of basis of allotment or within seven days of refund of money in case of failure of issue.
- (2) In rights issue, the lead merchant bankers shall submit post-issue reports as follows:-
  - (a) Initial post-issue report as specified in part B of schedule XVI, within three days of closure of the issue;
  - (b) Final post-issue report as specified in part D of schedule XVI, within fifteen days of the date of finalization of basis of allotment or within fifteen days of refund of money in case of failure of issue

### Statement of deviation (s) or variation(s) (Clause 32 of SEBI LODR Regulations)

1. The listed entity shall submit to the stock exchange the following statements (s) on a quarterly basis for public issue, rights issue, preferential issue etc.,-
  - (a) Indicating deviations, if any, 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;
  - (b) Indicating category wise variation (capital expenditure, sales and marketing, working capital etc.) between projected utilization of funds made by it in its offer document or explanatory statement to the notice for general meeting, as applicable and the actual utilization of funds.
2. The statement (S) specified in sub-regulation (1), shall be continued to be given till such time the issue proceeds have been fully utilized or the purpose for which these proceeds were raised has been achieved
3. The statement (s) specified in sub-regulations (1), shall be placed before the audit committee for review, shall be submitted to the stock exchange (s).
4. The listed entity shall furnish an explanation for the variations specified in sub-regulation (1), in the directors' report in the annual report.
5. The listed entity shall prepare an annual statement of funds utilized for purpose other than those stated in the offer document/prospectus/notice, certified by the statutory auditor of the listed entity, and place it before the audit committee till such time the full money raised through the issue has been fully utilized.
6. Where the listed entity has appointed a monitoring agency to monitor utilization of proceeds of a public or rights issue, the listed entity shall submit to the stock exchange (s) any comments or report received from the monitoring agency.

7. Where the listed entity has appointed a monitoring agency to monitor the utilization of proceeds of a public or rights issue, the monitoring report of such agency shall be placed before the audit committee on an annual basis, promptly upon its receipt.

In all –

- (i) Public issues, the issuers shall accept bids using only ASBA facility in the manners specified by the Board;
- (ii) Rights issues, where not more than one payment option is given, the issuers shall provide the facility of ASBA in accordance with the procedure and eligibility criteria specified by the Board: Provided that in case of qualified institutional buyers and non-institutional investor the issuers shall accept bids using ASBA facility only.

## **“CHAPTER VI-A CONDITIONS AND MANNER OF PROVIDING EXIT OPPORTUNITY TO DISSENTING SHAREHOLDERS**

### **Applicability 69A**

- (1) The provisions of this Chapter shall apply to an exit offer made by the promoters or shareholders in control of an issuer to the dissenting shareholders in terms of section 13(8) and section 27(2) of the Companies Act, 2013, in case of change in objects or variation in the terms of contract referred to in the prospectus.
- (2) The provisions of this Chapter shall not apply where there are neither identifiable promoters nor shareholders in control of the listed issuer.

### **Definitions**

**69B.** For the purpose of this Chapter:

- (a) “Dissenting shareholders” means those shareholders who have voted against the resolution for change in objects or variation in terms of a contract, referred to in the prospectus of the issuer;
- (b) “Frequently traded shares” shall have the same meaning as assigned to it in the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
- (c) “Relevant date” means date of the board meeting in which the proposal for change in objects or variation in terms of a contract, referred to in the prospectus is approved, before seeking shareholders’ approval.

### **Conditions for exit offer**

**69C.** The promoters or shareholders in control shall make the exit offer in accordance with the provisions of this Chapter, to the dissenting shareholders, if:

- (a) the public issue has opened after April 1, 2014; and
- (b) the proposal for change in objects or variation in terms of a contract, referred to in the prospectus is dissented by at least ten percent of the shareholders who voted in the general meeting; and
- (c) the amount to be utilized for the objects for which the prospectus was issued is less than seventy five percent of the amount raised (including the amount earmarked for general corporate purposes as disclosed in the offer document).

### **Eligibility of shareholders for availing the exit offer**

**69D.** Only those dissenting shareholders of the issuer who are holding shares as on the relevant dates shall be eligible to avail the exit offer made under this Chapter.

### **Exit offer price**

**69E.** The ‘exit price’ payable to the dissenting shareholders shall be the highest of the following: (a) the volume-weighted average price paid or payable for acquisitions, whether by the promoters or shareholders having control or by any person acting in concert with them, during the fifty-two weeks immediately preceding the relevant date;

- (b) the highest price paid or payable for any acquisition, whether by the promoters or shareholders having control or by any person acting in concert with them, during the twenty-six weeks immediately preceding the relevant date;
- (c) the volume-weighted average market price of such shares for a period of sixty trading days immediately preceding the relevant date as traded on the recognized stock exchange where the maximum volume of trading in the shares of the issuer are recorded during such period, provided such shares are frequently traded;

- (d) the highest price paid or payable for any acquisition, whether by the promoters or shareholders having control or by any person acting in concert with them, during the twenty-six weeks immediately preceding the relevant date;
- e) the volume-weighted average market price of such shares for a period of sixty trading days immediately preceding the relevant date as traded on the recognized stock exchange where the maximum volume of trading in the shares of the issuer are recorded during such period, provided such shares are frequently traded.

where the shares are not frequently traded, the price determined by the promoters or shareholders having control and the merchant banker taking into account valuation parameters including book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such issuers.

### **Manner of providing exit to dissenting shareholders**

**69F.** (1) The notice proposing the passing of special resolution for changing the objects of the issue and varying the terms of contract, referred to in the prospectus shall also contain information about the exit offer to the dissenting shareholders.

(2) In addition to the disclosures required under the provisions of section 102 of the Companies Act, 2013 read with rule 32 of the Companies (Incorporation) Rules, 2014 and rule 7 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and any other applicable law, a statement to the effect that the promoters or the shareholders having control shall provide an exit opportunity to the dissenting shareholders shall also be included in the explanatory statement to the notice for passing special resolution.

(3) After passing of the special resolution, the issuers shall submit the voting results to the recognized stock exchange(s), in terms of the provisions of regulation 44(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(4) The issuer shall also submit the list of dissenting shareholders, ascertified by its compliance officer, to the recognized stock exchange(s).

(5) The promoters or shareholders in control shall appoint a merchant banker registered with the Board and finalize the exit offer price in accordance with these regulations.

(6) The issuer shall intimate the recognized stock exchange(s) about the exit offer to dissenting shareholders and the price at which such offer is being given.

(7) The recognized stock exchange(s) shall immediately on receipt of such intimation disseminate the same to public within one working day.

(8) To ensure security for performance of their obligations, the promoters or shareholders having control, as applicable, shall create an escrow account which may be interest bearing and deposit the aggregate consideration in the account at least two working days prior to opening of the tendering period.

(9) The tendering period shall start not later than seven working days from the passing of the special resolution and shall remain open for ten working days.

(10) The dissenting shareholders who have tendered their shares in acceptance of the exit offer shall have the option to withdraw such acceptance till the date of closure of the tendering period.

(11) The promoters or shareholders having control shall facilitate tendering of shares by the shareholders and settlement of the same through the recognized stock exchange mechanism as specified by SEBI for the purpose of takeover, buy-back and delisting.

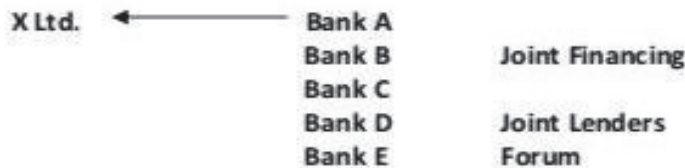
(12) The promoters or shareholders having control shall, within a period of ten working days from the last date of the tendering period, make payment of consideration to the dissenting shareholders who have accepted the exit offer.

(13) Within a period of two working days from the payment of consideration, the issuer shall furnish to the recognized stock exchange(s), disclosures giving details of aggregate number of shares tendered, accepted, payment of consideration and the post-offers shareholding pattern of the issuer and a report by the merchant banker that the payment has been duly made to all the dissenting shareholders whose shares have been accepted in the exit offer. Offer not to exceed maximum permissible non-public shareholding.

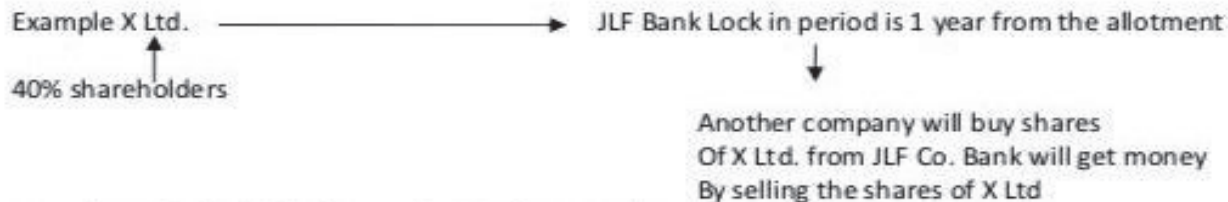
**69G.** In the event, the shares accepted in the exit offer were such that the shareholding of the promoters or shareholders in control, taken together with persons acting in concert with them pursuant to completion of the exit offer results in their shareholding exceeding the maximum permissible non-public shareholding, the promoters or shareholders in control, as applicable, shall be required to bring down the non-public shareholding to the levels specified and within the time permitted under Securities Contract (Regulation) Rules, 1957."

# AMIT BACHHAWAT TRAINING FORUM

## CLASS NOTES ON Regulations 70(1) (5) (6) Preferential Issue SEBI ICDR, Reg 16



If X Ltd. is unable to pay the Bank then CDR scheme is planned and if CDR is unsuccessful then SDR will be implemented (Strategic Debt Restructuring) SDR implies convert loan into equity shares RBI has framed CDR/SDR Mechanism, Preferential Issue by X Ltd. to banks under SDR Mechanism will not be required to be comply with Reg 70 of SEBI ICDR. Those pricing provisions as read in preferential Issue will not apply. Due to the conversion of Loan into equity Banks (JLF get majority state)



Example: Banks held the shares of X Ltd. for 8 months  
Acquirer will be subject to lock in for 4 months i.e remaining period

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There 40% share holders also want to sell their shares to allotment  
If X Ltd. also makes fresh allotment to that acquirer – lock in period on fresh allotment is 3 years.

### **REG 70 will not apply to**

Conversion of Convertible Debentures pursuant to Amalgamation scheme pursuant to scheme of NCLT under IBC Code. As per Resolution plan if creditors were given shares then preferential issue SEBI ICDR Regulations will not apply.

### **SDR Mechanism**

- Pricing guidelines of SEBI
  - 2 Registered Values u/s 247 will certify the conversion price
  - Lock in period 1 year from the date of allotment, If shares are transferred to acquirer then lock in period will be for the balance period. If convertible debentures purchased are convertible into equity then lock in will also apply here
  - Special Resolution: If Company allots fresh equity to the acquirer then lock in period is 3 years & all other conditions (RBI guidelines etc. Will be same 2 required valuers, SR Lock in period 3 years
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## **DELISTING**

### **Relaxation in Applicability :**

(3) Nothing in these regulations shall apply to any delisting of equity shares of a listed entity made pursuant to a resolution plan approved under section 31 of the Insolvency and Bankruptcy Code, 2016, if such plan, – (a) lays down any specific procedure to complete the delisting of such share; or (b) provides an exit option to the existing public shareholders at a price specified in the resolution plan: Provided that, exit to the shareholders should be at a price which shall not be less than the liquidation value as determined under regulation 35 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 after paying off dues in the order of priority as defined under section 53 of the Insolvency and Bankruptcy Code, 2016:

Provided further that, if the existing promoters or any other shareholders are proposed to be provided an opportunity to exit under the resolution plan at a price higher than the price determined in terms of the above proviso, the existing public shareholders shall also be provided an exit opportunity at a price which shall not be less than the price, by whatever name called, at which such promoters or other shareholders, directly or indirectly, are provided exit: Provided also that, the details of delisting of such shares along with the justification for exit price in respect of delisting proposed shall be disclosed to the recognized stock exchanges within one day of resolution plan being approved under section 31 of the Insolvency and Bankruptcy Code, 2016

### **Listing of delisted equity shares**

(2A) Notwithstanding anything contained in sub-regulation (1), an application for listing of delisted equity shares may be made in respect of a company which has undergone corporate insolvency resolution process under the Insolvency and Bankruptcy Code, 2016

## **TAKEOVER – exemption**

Provided further that, acquisition pursuant to a resolution plan approved under section 31 of the Insolvency and Bankruptcy Code, 2016 [No. 31 of 2016] shall be exempt from the obligation under the proviso to the sub-regulation (2) of regulation 3





# SEBI LODR REGULATIONS

**CORPORATE GOVERNANCE UNDER SEBI (LODR), 2015**

<p><b>1.</b></p>	<p><b>Regulation 16(1)(b)</b></p>	<p>Independent Director</p>	<p>Independent Director" means a non-executive director, other than a nominee director of the listed entity –</p> <ul style="list-style-type: none"> <li>- who, in the opinion of the board of directors, is a person of integrity and possesses relevant expertise and experience;</li> <li>- who is or was not a promoter of the listed entity or its holding, subsidiary or associate company;</li> <li>- who is not related to promoters or directors in the listed entity, its holding, subsidiary or associate company;</li> <li>- who, apart from receiving director's remuneration, has or had no material pecuniary relationship with the listed entity, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;</li> <li>- 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 Rs. 50 lakhs 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;</li> <li>- who, neither himself, nor whose relative(s) holds or has held the position of a key managerial</li> </ul>
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			<p>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> <ul style="list-style-type: none"> <li>- who, neither himself, nor whose relative(s) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed,</li> </ul>
2.	<b>Regulation 17(1)</b>	Composition of Board of Directors	<p>The Composition of Board of directors of the listed entity shall be as follows:</p> <p><b>Executive/Non Executive:</b></p> <ul style="list-style-type: none"> <li>- Board of Directors shall have an optimum combination of executive and non-executive directors:-</li> <li>• One Women Director</li> <li>• At least 50% of Board of Directors shall comprise of Non-Executive Director.</li> </ul> <p><b>Independent Director:</b></p> <ul style="list-style-type: none"> <li>- If Chairman of the Board is Non-Executive director</li> <li>• at least (1/3) one-third of the board of directors shall comprise of independent directors.</li> <li>- where the listed entity does not have a regular non-executive chairperson</li> <li>• at least (1/2) half of the board of directors shall comprise of independent directors</li> <li>- where the regular non-executive chairperson is a promoter of the listed entity; or is related to any promoter; or is related to person occupying management positions at the level of board of director; or at one level below the board of directors;</li> </ul>

			<ul style="list-style-type: none"> <li>• at least (1/2) half of the board of directors of the listed entity shall consist of independent directors.</li> </ul>
4.	<b>Regulation 17(2)</b>	Frequency of Meeting	<ul style="list-style-type: none"> <li>- At least 4 Board meeting</li> <li>- Maximum Gap Between two meetings 120 days</li> </ul>
5.	<b>Regulation 17(3)</b>	Review of Compliance report	<ul style="list-style-type: none"> <li>- The board of directors shall <b>periodically review</b> compliance reports pertaining to all laws applicable to the listed entity.</li> <li>- The board of directors shall <b>periodically review steps taken</b> by the listed entity to rectify instances of non-compliances.</li> </ul>
6.	<b>Regulation 17(4) &amp; (5)</b>	Duties of Board of Directors	<ul style="list-style-type: none"> <li>- <b>Plans for Ordinary succession of appointment:</b> The board of directors of the listed entity shall satisfy itself that plans are in place for orderly succession for appointment to the board of directors and senior management.</li> <li>- <b>Code of Conduct:</b> The board of directors shall lay down a Code of Conduct for all members of board of directors and senior management of the listed entity.</li> <li>- <b>Duties of Independent Director:</b> The code of conduct shall suitably incorporate the duties of independent directors as laid down in the Companies Act, 2013.</li> </ul>
7.	<b>Regulation 17(6)</b>	Fees or Compensation	<ul style="list-style-type: none"> <li>- The board of directors shall recommend all fees or compensation, if any, paid to non-executive directors, including independent directors and shall require approval of Shareholders in General Meetings.</li> <li>- The requirement of obtaining approval of shareholders in General Meeting shall not apply to payment of sitting fees to Non- Executive Directors, if made within the limits prescribed under Companies Act, 2013.</li> </ul>

			<p><i>Approval of shareholders mentioned above, shall specify the limits for the maximum number of stock options that may be granted to non-executive directors, in any financial year and in aggregate.</i></p> <p>- Independent Director shall notentitle to any Stock Option.</p>
3.	<b>Regulation 17(8)</b>	Compliance Certificate	The Chief Executive Officer and the Chief Financial Officer shall provide the compliance certificate to the board of directors.
4.	<b>Regulation 17(10)</b>	Performance evaluation	<p>The performance evaluation of independent directors shall be done by the entire board of directors.</p> <p>However, in the above evaluation the directors who are subject to evaluation shall not participate.</p>
3.	<b>Regulation 18</b>	Audit Committee	<p>➤ Every Listed Entity shall constitute a Qualified and independent audit committee in accordance with the terms subject to the followings:-</p> <ul style="list-style-type: none"> <li>- The audit committee shall have minimum Three directors as members and</li> <li>- 2/3 (Two-thirds) of the members of committee shall be independent directors.</li> <li>- All members of Committee shall be financially literate and at least one member has expertise in accounting or related financial management.</li> <li>- The chairperson of the audit committee shall be an independent director and he shall be present at AGM to answer shareholder queries.</li> <li>- The Company Secretary shall act as the secretary to the audit committee.</li> </ul> <p>➤ The listed entity shall conduct the</p>

			<p>meetings of the audit committee in the following manner:</p> <ul style="list-style-type: none"> <li>- Four Meetings in a year</li> <li>- Maximum gap between two meetings 120days</li> <li>- Quorum shall be 2 members or 1/3<sup>rd</sup> of the members of the audit committee, whichever is greater, with at least 2 independent directors.</li> <li>- The audit committee shall have powers to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.</li> </ul> <p><i>Note: - The Role of the audit committee and the <b>INFORMATION TO BE REVIEWD</b> by the audit committee shall be as specified in Part C of Schedule II.</i></p>
4.	<b>Regulation 19</b>	Nomination and remuneration committee	<ul style="list-style-type: none"> <li>➤ The Board of Directors shall constitute the nomination and remuneration committee as follows: <ul style="list-style-type: none"> <li>- The committee shall comprise of <b>at least three directors</b>.</li> <li>- All the directors of the committee shall be <b>Non-Executive directors</b> and</li> <li>- <b>At least 50%</b> of the directors shall be <b>Independent directors</b>.</li> </ul> </li> <li>➤ The Chairperson of the nomination committee shall be <b>independent director</b>. However, where chairperson of listed entity is executive or non-executive, <b>may appoint as a member and shall not chair such committee</b>.</li> <li>➤ The chairperson of such committee</li> </ul>

			may present at the AGM, to answer the shareholder's queries.
5.	<b>Regulation 20</b>	Stakeholder Relationship Committee	<p><b>Purpose of constitution</b> :- To look into the mechanism of redressal of grievances of :-</p> <ul style="list-style-type: none"> <li>- shareholders,</li> <li>- debenture holders and</li> <li>- other securityholders</li> </ul> <p>➤ The chairperson of such committee shall be a <b>Non-Executive Director</b>.</p>
6.	<b>Regulation 21</b>	Risk Management Committee	<p>➤ The board of directors shall constitute Risk Management Committee, shall be define the role and responsibility of the Risk Management Committee, and may delegate monitoring and reviewing of the risk management plan to the committee and such other functions as it may deem fit.</p> <p>➤ The majority of members of such Committee shall consist of members of the board of directors.</p> <p>➤ The Chairperson of such committee shall be a member of the board of directors and senior executives of the listed entity may be members of the committee.</p>
7.	<b>Regulation 24</b>	Subsidiary Companies	<p><b>Corporate governance requirements with respect to subsidiary of listed entity</b></p> <ul style="list-style-type: none"> <li>- At least one independent director of the listed entity shall be a director on the board of directors of an unlisted material subsidiary, incorporated in India.</li> <li>- The audit committee of the listed entity shall also review the financial statements, in particular, the investments made by the unlisted subsidiary.</li> <li>- The minutes of the meetings of the board of directors of the unlisted subsidiary shall be placed at the meeting of the board of directors of the listed entity.</li> <li>- The management of the unlisted subsidiary shall periodically bring to the notice of the board of directors of the listed entity, a statement of all significant</li> </ul>

			<p>transactions and arrangements entered into by the unlisted subsidiary.</p> <ul style="list-style-type: none"> <li>- 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.</li> <li>- Selling, disposing and leasing of assets amounting to more than twenty percent of the assets of the material subsidiary on an aggregate basis during a financial year shall require prior approval of shareholders by way of special resolution, unless the sale/disposal/lease is made under a scheme of arrangement duly approved by a Court/Tribunal.</li> <li>- Where a listed entity has a listed subsidiary, which is itself a holding company, the provisions of this regulation shall apply to the listed subsidiary in so far as its subsidiaries are concerned.</li> </ul>
16.	<b>Regulation 25</b>	<p>Obligations with respect to Independent directors:-</p> <ul style="list-style-type: none"> <li>- Limit of Directorship as Independent Director</li> <li>- Tenure of Independent Director</li> </ul>	<p>Obligations with respect to Independent directors:-</p> <ul style="list-style-type: none"> <li>➤ A person shall serve as an independent director <b><i>not more than seven listed entities</i></b>. If such person is whole time director in any entities then he shall be serving as independent director <b><i>not more than three listed entities</i></b>.</li> <li>➤ Maximum tenure of independent director shall be up to <b><i>five consecutive years</i></b> on the Board of a company. He shall be eligible for re-appointment on <b><i>passing of a special resolution</i></b> by the company and disclosure of such appointment</li> </ul>



		<ul style="list-style-type: none"> <li>- Meeting of Independent Director</li>   <li>- Agenda for the Meeting of Independent Director</li>   <li>- Liability of Independent Director</li>   <li>- Intermittent vacancy of an Independent Director</li> </ul>	<p>in the Board's report.</p> <ul style="list-style-type: none"> <li>➤ The independent directors of the listed entity shall hold <b><i>at least one meeting</i></b> in a year. Non-Independent Director and Members of the Management will not present in such Meeting. All the Independent Directors shall strives to present in such Meeting.</li>   <li>➤ The Independent director in the meeting shall:- <ul style="list-style-type: none"> <li>- Review the performance of non- independent directors and the board of directors as a whole.</li> <li>- Review the performance of the chairperson of the listed entity.</li> </ul> <p>(Taking into account the views of executive directors and non-executive directors)</p> <ul style="list-style-type: none"> <li>- Assess the quality, quantity and timeliness of flow of information between the management of the listed entity and the board of directors that is necessary for the board of directors to effectively and reasonably perform their duties.</li> </ul> </li>   <li>➤ An independent director shall be held liable, <b><i>ONLY</i></b> in respect of such acts of omission or commission by the listed entity which had occurred:- <ul style="list-style-type: none"> <li>- with his knowledge and</li> <li>- attributable through processes of board of directors, and</li> <li>- with his consent or connivance or</li> <li>- Where he had not acted diligently with respect to the provisions contained in these regulations.</li> </ul> </li>   <li>➤ Any Intermittent Vacancy of an Independent director shall be filled-up by the Board of Directors at the earliest but not later than:</li> </ul>
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		<ul style="list-style-type: none"> <li>- Duties of the Company towards Independent Director</li> </ul>	<ul style="list-style-type: none"> <li>- Immediate <i>NextBoard Meeting OR</i></li> <li>- <b>3 (Three) Months</b> from the date of such vacancy, <i>whichever is Later</i></li> </ul> <p>➤ The listed entity shall familiarize the independent directors through various programmes about the listed entity, including the following:</p> <ul style="list-style-type: none"> <li>- Nature of the industry in which the listed entity operates;</li> <li>- Business model of the listed entity;</li> <li>- Roles, rights, responsibilities of independent directors; and</li> <li>- Any other relevant information</li> </ul>
17.	<b>Regulation 26</b>	Obligations of Directors and Senior Management	<p>For the purpose of considering the limit of companies Private Company, Foreign Company and Section 8 of Companies Act, 2013 company are excluded.</p> <p>A Director shall not be :-</p> <ul style="list-style-type: none"> <li>- Member in more than 10 committees</li> <li>- Chairman in more than 5 committees</li> </ul> <p>For reckoning the limit, <b>ONLY Audit committee and Stakeholder's relationship Committee</b> are considered.</p>
18.	<b>Regulation 27</b>	Quarterly Compliance Report on Corporate Governance	<p>➤ The listed entity shall submit a quarterly compliance report on corporate governance in the format as specified by SEBI from time to time to the recognized stock exchange(s) <i>within fifteen days from close of the quarter.</i></p> <p>➤ Details of all material transactions with related parties shall be disclosed.</p> <p>➤ Report shall be sign either by Compliance officer or by Chief Executive officer.</p>

# MDAR

## Management Discussion & Analysis Report

1. Industry structure & developments
2. Opportunities & Threats
3. Segment wise performance
4. Internal Control system
5. Human Resource

NOTE → Annual Compliance Certificate from either Auditor OR Practising CS regarding compliance of Corporate Governance Conditions shall be annexed with the **Director's Report**.

Q. What Disclosure are Made in the section of corporate governance Section in the Annual Report?

ANS.

1. BOD
2. Audit Committee
3. Nomination
4. Stakeholder R.C
5. General meetings
6. Declaration by CEO stating that members of BOD Series Management have complied with code of conduct

## Role of Audit Committee includes

1. Oversight of the listed Company's financial reporting process
2. Recommend appointment of auditors
3. Review with Management the quarterly annual financial & auditor's report before submission to the Board of approval.
4. Approval of Related Party Transactions
5. Scrutiny of Inter Group Loans and Investment
6. Review with the Management, performance of statutory & internal auditors, adequacy of internal controls
7. Review the functioning of whistle Blower Mechanism
8. What items should be Mandatorily Reviewed by Audit Committee

**Senior Management** means all officers/personnel who are members of core management team (excluding BOD.)

**This Comprises of all members of management one level below the executive directors.**

Example → Internal Audit (head) finance Controller Head of procurement Basically all functional heads

Particulars	Amendment Regulations	Action Point	Deadline
Applicability	17A and 24A included for other than SME under exempted category of applicability 17 A and 24A deals with Max no of Directorship and Sec. Audit		April 1, 2019
Quorum for Board Meeting	<i>The quorum for every meeting of the board of directors of the top 1000 listed entities with effect from April 1, 2019 and of the top 2000 listed entities with effect from April 1, 2020 shall be one-third of its total strength or three directors, whichever is higher, including at least one independent director ;</i> <i>Explanation I – For removal of doubts, it is clarified that the participation of the directors by video conferencing or by other audio-visual means shall also be counted for the purposes of such quorum.</i> <i>Explanation II - The top 1000 and 2000 entities shall be determined on the basis of market capitalisation, as at the end of the immediate previous financial year.</i>	Higher of 1/3 or 3 Directors which shall include one ID <i>(the Act prescribes 1/3 or 2 whichever is higher).</i> Presence of one ID mandatory now to form valid quorum.	April 1, 2019  April 1, 2020
		Top 1000 listed entities	
		Top 2000 listed entities	
Independent Director Definition	who is or was not a promoter of the listed entity or its holding, subsidiary or associate company or member of the promoter group of the listed company; who is not a non-independent director of another company on the board of which any non-independent director of the listed entity is an independent director:”	ID declaration to be obtained with this respect. In case, composition is not in compliant, the Companies may choose to regularise at forthcoming AGM 2018.	October 1, 2018.
	<i>No person shall be appointed or continue as an alternate director for an independent director of a listed entity with effect from October 1, 2018</i>	To check whether any Alternate Director is in place of ID	October 1, 2018
	<i>Every independent director shall, at the first meeting of the board in which he participates as a director and thereafter at the first meeting of the board in every financial year or whenever there is any change in the circumstances which may affect his status as an independent director, submit a declaration that he meets the criteria of independence as provided in clause (b) of sub-regulation (1) of 12 regulation 16 and that he is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his ability to discharge his duties with an objective independent judgment and without any external influence.</i> <i>The board of directors of the listed entity shall take on record the declaration and confirmation submitted by the independent director under sub-regulation (8) after undertaking due assessment of the veracity of the same.</i> <i>With effect from October 1, 2018, the top 500 listed entities by market capitalization calculated as on March 31 of the preceding financial year, shall undertake Directors and Officers insurance (‘D and O insurance’) for all their independent directors of such quantum and for such risks as may be determined by its board of directors.</i>	Even anticipation of change in circumstances that may affect the status as ID is covered.	April 1, 2019
		BoD to assess independence.  To implement D & O Insurance Policy	April 1, 2019  October 1, 2018

Particulars	Amendment Regulations	Action Point	Deadline
Woman Director	board of directors shall have an optimum combination of executive and non-executive directors with at least one woman director and not less than fifty per cent. of the board of directors shall comprise of non-executive directors; <i>The board of directors of the top 500 listed entities (with effect from April 1, 2019) and the top 1000 listed entities (with effect from April 1, 2020) shall have at least one independent woman director.</i>	Top 500 listed entities to appoint Independent Women Director	April 1, 2019
	<i>Explanation: The top 500 and 1000 entities shall be determined on the basis of market capitalisation as at the end of the immediate previous financial year.</i>	Top 1000 listed entities to appoint Independent Women Director	April 1, 2020
Non-executive Chairperson	<i>With effect from April 1, 2020, the top 500 listed entities shall ensure that the Chairperson of the board of such listed entity shall -</i> <i>(a) be a non-executive director;</i> <i>(b) not be related to the Managing Director or the Chief Executive Officer as per the definition of the term "relative" defined under the Companies Act, 2013:</i> <i>Provided that this sub-regulation shall not be applicable to the listed entities which do not have any identifiable promoters as per the shareholding pattern filed with stock exchanges.</i> <i>Explanation - The top 500 entities shall be determined on the basis of market capitalisation, as at the end of the immediate previous financial year.</i>	Initially top 500 listed companies are covered. Succession planning to be designed accordingly	April 1, 2020
Separate posts of chairperson and chief executive officer	<b>DELETION</b> The listed entity may appoint separate persons to the post of chairperson and managing director or chief executive officer.		April 1, 2020
Directors of 75 years or more	<i>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 to that effect, in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such a person.</i>	Explanatory Statement to mention justification for appointment of Director in case they have attained age of 75 years or more <i>(already exist under the Companies Act, 2013)</i>	April 1, 2019
Minimum Director in a company	<i>The board of directors of the top 1000 listed entities (with effect from April 1, 2019) and the top 2000 listed entities (with effect from April 1, 2020) shall comprise of not less than six directors.</i> <i>Explanation: The top 1000 and 2000 entities shall be determined on the basis of market capitalisation as at the end of the immediate previous financial year.</i>	Top 1000 listed entities to have minimum 6 Directors	April 1, 2019
		Top 2000 listed entities to have minimum 6 Directors	April 1, 2020
Maximum no of Directorship	The directors of listed entities shall comply with the following conditions with respect to the maximum number of directorships, including any alternate directorships that can be held by them at any point of time –	Maximum number of Directorship restricted to 8 listed Entities. Further Independent	April 1, 2019

Particulars	Amendment Regulations	Action Point	Deadline
	<p>(1) A person shall not be a director in more than eight listed entities with effect from April 1, 2019 and in not more than seven listed entities with effect from April 1, 2020:</p> <p>Provided that a person shall not serve as an independent director in more than seven listed entities.</p> <p>(2) Notwithstanding the above, any person who is serving as a whole time director / managing director in any listed entity shall serve as an independent director in not more than three listed entities.</p> <p>For the purpose of this sub-regulation, the count for the number of listed entities on which a person is a director / independent director shall be only those whose equity shares are listed on a stock exchange.”</p>	<p>Directorship restricted to 7 listed entities by April 1, 2020.</p> <p>A whole time Director / MD of listed entity can hold maximum 3 Independent Directorship in other companies</p>	<p>April 1, 2019</p>
<p><b>Remuneration</b></p>	<p><i>The approval of shareholders by special resolution shall be obtained every year, in which the annual remuneration payable to a single non-executive director exceeds fifty per cent of the total annual remuneration payable to all non-executive directors, giving details of the remuneration thereof.</i></p> <p><i>The fees or compensation payable to executive directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by special resolution in general meeting, if-</i></p> <p><i>(i) the annual remuneration payable to such executive director exceeds rupees 5 crore or 2.5 per cent of the net profits of the listed entity, whichever is higher; or</i></p> <p><i>(ii) where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5 per cent of the net profits of the listed entity:</i></p> <p><i>Provided that the approval of the shareholders under this provision shall be valid only till the expiry of the term of such director.</i></p> <p><i>Explanation: For the purposes of this clause, net profits shall be calculated as per section 198 of the Companies Act, 2013.</i></p>	<p>In case of Non-executive Chairperson, the approval from the shareholder may be required in most of the cases</p> <p>New threshold in case of listed entities. The Cos. Act prescribes threshold of 5%. However, the listed cos. to obtain approval from Shareholders if remuneration paid to executive Directors related to promoter is 2.5% or more of net profit or in case of two or more such directors, 5%.</p>	<p>April 1, 2019</p>
<p><b>Evaluation of Directors performance</b></p>	<p><i>The evaluation of independent directors shall be done by the entire board of directors which shall include -</i></p> <p><i>(a) performance of the directors; and</i></p> <p><i>(b) fulfillment of the independence criteria as specified in these regulations and their independence from the management:</i></p> <p><i>Provided that in the above evaluation, the directors who are subject to evaluation shall not participate.</i></p>	<p>New addition of responsibilities to review the independence of Directors</p>	<p>April 1, 2019</p>
<p><b>Senior Management</b></p>	<p>“senior management” shall mean officers/personnel of the listed entity who are members of its core management team excluding board of directors and</p>	<p>The coverage of Senior Management has been broadened and</p>	<p>April 1, 2019</p>

Particulars	Amendment Regulations	Action Point	Deadline
	normally this shall comprise all members of management one level below <b>the chief executive officer/managing director/whole time director/manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include company secretary and chief financial officer.</b>	accordingly the companies having policies on their remuneration need to review the policy.	
<b>Quorum for NRC</b>	The quorum for a meeting of the nomination and remuneration committee shall be either two members or one third of the members of the committee, whichever is greater, including at least one independent director in attendance.	Quorum necessarily to have Independent Director	April 1, 2019
<b>Frequency of Meeting</b>	The nomination and remuneration committee shall meet at least once in a year.	Frequency fixed for minimum one	April 1, 2019
<b>Role</b>	<i>To recommend to the board, all remuneration, in whatever form, payable to senior management</i>	The increment for Senior Management to be routed thru NRC.	April 1, 2019
<b>Role of Audit Committee</b>	<i>reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.</i>	Review of loan extended to subsidiary	April 1, 2019
<b>Role of SRC</b>	The listed entity shall constitute a Stakeholders Relationship Committee to <i>specifically look into the various aspects of interest</i> of shareholders, debenture holders and other securityholders. <i>At least three directors, with at least one being an independent director, shall be members of the Committee.</i> <i>The Chairperson of the Stakeholders Relationship Committee shall be present at the annual general meetings to answer queries of the security holders</i> <i>The stakeholders relationship committee shall meet at least once in a year.</i>	Scope widened  One Independent Director to be appointed  Chairperson to be present at the AGM	April 1, 2019
	<i>The role of the committee shall inter-alia include the following:</i> <i>(1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.</i> <i>(2) Review of measures taken for effective exercise of voting rights by shareholders.</i> <i>(3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar &amp; Share Transfer Agent.</i> <i>(4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.</i>	Role has been elaborated with initiation of proactive measures to be taken by SRC for Stakeholders.	April 1, 2019

Particulars	Amendment Regulations	Action Point	Deadline
<b>Role &amp; Function of RM Committee</b>	<p><i>The RM committee shall meet at least once in a year.</i></p> <p>The board of directors shall define the role and responsibility of the Risk Management Committee and may delegate monitoring and reviewing of the risk management plan to the committee and such other functions as it may deem fit <i>such function shall specifically cover cybersecurity.</i></p> <p>The provisions of this regulation shall be applicable to top <b>500 listed entities</b>, determined on the basis of market capitalisation, as at the end of the immediate previous financial year</p>	<p>Top 500 listed entities to form RMCommittee.</p> <p>Frequency of RM fixed at least once in a year.</p> <p>The function of RM includes function w.r.t. cyber security.</p>	April 1, 2019
<b>Special Business Notice</b>	<p><i>The statement to be annexed to the notice as referred to in sub-section (1) of section 102 of the Companies Act, 2013 for each item of special business to be transacted at a general meeting shall also set forth clearly the recommendation of the board to the shareholders on each of the specific items.</i></p>	<p>Addition of recommendation in the explanatory statement. (already exist in the Cos. Act)</p>	April 1, 2019
<b>Meetings of shareholders and voting</b>	<p><i>The top 100 listed entities by market capitalization, determined as on March 31st of every financial year, shall hold their annual general meetings within a period of five months from the date of closing of the financial year.</i></p> <p><i>The top 100 listed entities shall provide one-way live webcast of the proceedings of the annual general meetings.</i></p> <p><i>Explanation: The top 100 entities shall be determined on the basis of market capitalisation, as at the end of the immediate previous financial year.</i></p>	<p>Top 100 Listed Entities to have AGM by the month of August.</p> <p>Live Webcast</p>	<p>April 1, 2019</p> <p>April 1, 2019</p>
	<p>The notice being sent to shareholders for an annual general meeting, where the statutory auditor(s) is/are proposed to be appointed/re-appointed shall include the following disclosures as a part of the explanatory statement to the notice:</p> <p>(a) Proposed fees payable to the statutory auditor(s) along with terms of appointment and in case of a new auditor, any material change in the fee payable to such auditor from that paid to the outgoing auditor along with the rationale for such change;</p> <p>(b) Basis of recommendation for appointment including the details in relation to and credentials of the statutory auditor(s) proposed to be appointed.</p>	<p>Disclosure w.r.t. fees payable to Statutory Auditors to be incorporated in the Notice</p>	April 1, 2019
<b>Related Party Definitions</b>	<p>“related party” means a related party as defined under sub-section (76) of section 2 of the Companies Act, 2013 or under the applicable accounting standards:</p> <p><i>Provided that any person or entity belonging to the promoter or promoter group of the listed entity and holding 20% or more of shareholding in the listed entity shall be deemed to be a related party.</i></p>	<p>The list of Related Party needs to be reviewed.</p>	April 1, 2019



Particulars	Amendment Regulations	Action Point	Deadline
	Provided further that this definition shall not be applicable for the units issued by mutual funds which are listed on a recognised stock exchange(s);		
<b>RPT Policy &amp; Procedure</b>	<p>The listed entity shall formulate a policy on materiality of related party transactions and on dealing with related party transactions <b><i>including clear threshold limits duly approved by the board of directors and such policy shall be reviewed by the board of directors at least once every three years and updated accordingly.</i></b></p> <p>Explanation.- 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 ten percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.</p> <p><b><i>Notwithstanding the above, a transaction involving payments made to a related party with respect to brand usage or royalty shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed two percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.</i></b></p>	<p>Mandatory review of policy on RPT.</p> <p>Threshold to be defined clearly in RPT policy.</p>	April 1, 2019
	All material related party transactions shall require approval of the shareholders through resolution and <b><i>no related party shall vote to approve</i></b> such resolutions whether the entity is a related party to the particular transaction or not.	Clarificatory in nature.	April 1, 2019
	For the purpose of this regulation, all entities falling under the definition of related parties shall <b><i>not vote to approve the relevant transaction</i></b> irrespective of whether the entity is a party to the particular transaction or not.	Clarificatory in nature	April 1, 2019
	<b><i>The listed entity shall submit within 30 days from the date of publication of its standalone and consolidated financial results for the half year, disclosures of related party transactions on a consolidated basis, in the format specified in the relevant accounting standards for annual results to the stock exchanges and publish the same on its website.</i></b>	Disclosure of RPT to be made to Stock Exchanges.	March 31, 2019
<b>Material Subsidiary</b>	“material subsidiary” shall mean a subsidiary, whose income or net worth exceeds <b>ten percent</b> of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.	Material subsidiary coverage needs to be examined as compliance for material subsidiary will be triggered accordingly.	April 1, 2019
<b>CG Norms with respect to Subsidiary</b>	(1) At least one independent director on the board of directors of the listed entity shall be a director on the board of directors of an unlisted material subsidiary, whether incorporated in India <b><i>or not.</i></b>	Even foreign subsidiary are now included. But here Material Subsidiary definition	April 1, 2019

Particulars	Amendment Regulations	Action Point	Deadline
	<p><i>Explanation- For the purposes of this provision, notwithstanding anything to the contrary contained in regulation 16, the term “material subsidiary” shall mean a 11 subsidiary, whose income or net worth exceeds twenty percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.”</i></p> <p>The management of the unlisted subsidiary shall periodically bring to the notice of the board of directors of the listed entity, a statement of all significant transactions and arrangements entered into by the unlisted subsidiary.</p> <p>Explanation.- For the purpose of this regulation, the term “significant transaction or arrangement” shall mean any individual transaction or arrangement that exceeds or is likely to exceed ten percent of the total revenues or total expenses or total assets or total liabilities, as the case may be, of the <b>unlisted subsidiary</b> for the immediately preceding accounting year.</p>	<p>included “20%” instead of “10%”</p> <p>Clarificatory in nature</p>	<p>April 1, 2019</p>
<b>Secretarial Audit.</b>	<p><i>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 report, given by a company secretary in practice, in such form as may be specified with effect from the year ended March 31, 2019.</i></p>	<p>To ensure the Audit if applicable</p>	<p>March 31, 2019.</p>
<b>Financial Results</b>	<p>(3)The listed entity shall submit the financial results in the following manner:</p> <p>(a) The listed entity shall submit quarterly and year-to-date standalone financial results to the stock exchange within forty-five days of end of each quarter, other than the last quarter.</p> <p>(b) In case the listed entity has subsidiaries, in addition to the requirement at clause (a) of sub-regulation (3), the listed entity shall also submit quarterly/year-to-date consolidated financial results.</p> <p>The listed entity shall also submit the audited or limited reviewed financial results in respect of the last quarter along-with the results for the entire financial year, with a note stating that the figures of last quarter are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figures up to the third quarter of the current financial year.</p> <p>The listed entity shall also submit as part of its standalone and consolidated financial results for the half year, by way of a note, statement of cash flows for the half-year.</p>	<p>Consolidated Quarterly results mandatory</p> <p>For the last quarter, audited or limited review results to be submitted.</p> <p>Cash flow statement required on Half – Yearly basis.</p>	<p>April 1, 2019</p> <p>April 1, 2019</p> <p>April 1, 2019</p>

Particulars	Amendment Regulations	Action Point	Deadline
	<p>The listed entity shall ensure that, for the purposes of quarterly consolidated financial results, at least eighty percent of each of the consolidated revenue, assets and profits, respectively, shall have been subject to audit or in case of unaudited results, subjected to limited review.</p> <p>The listed entity shall disclose, in the results for the last quarter in the financial year, by way of a note, the aggregate effect of material adjustments made in the results of that quarter which pertain to earlier periods.</p> <p>The statutory auditor of a listed entity shall undertake a limited review of the audit of all the entities/ companies whose accounts are to be consolidated with the listed entity as per AS 21 in accordance with guidelines issued by the Board on this matter.</p>	<p>Duties for consideration of results Audit/ Limited Review.</p> <p>Material adjustment to be disclosed by way of Note.</p> <p>Additional Limited Review for all entities whose accounts are being consolidated</p>	<p>April 1, 2019</p> <p>April 1, 2019</p> <p>April 1, 2019</p>
	<p>With respect to audit qualifications where the impact of the qualification is not quantifiable:</p> <p><i>i. The management shall mandatorily make an estimate which the auditor shall review and report accordingly</i></p> <p><i>ii. Notwithstanding the above, the management may be permitted to not provide estimate on matters like going concerns or sub-judice matters; in which case, the management shall provide the reasons and the auditor shall review the same and report accordingly</i></p>	<p>Relaxation in some cases; not to disclose estimation of impact.</p>	<p>April 1, 2019</p>
<b>Statement of Deviation</b>	<p><i>Where an entity has raised funds through preferential allotment or qualified institutions placement, the listed entity shall disclose every year, the utilization of such funds during that year in its Annual Report until such funds are fully utilized.</i></p>	<p>Separate Disclosure for utilisation of funds till the time it is used.</p>	<p>April 1, 2019</p>
<b>Annual Report Dispatch with Notice</b>	<p><i>The listed entity shall submit to the stock exchange and publish on its website-</i></p> <p><i>(a) a copy of the annual report sent to the shareholders along with the notice of the annual general meeting not later than the day of commencement of dispatch to its shareholders;</i></p> <p><i>(b) in the event of any changes to the annual report, the revised copy along with the details of and explanation for the changes shall be sent not later than 48 hours after the annual general meeting.</i></p>	<p>Restoration of 21 days advance Notice and provision to submit to SE revised copy of Annual Report</p>	<p>March 31, 2019</p>
	<p><i>Soft copies of full annual report to all those shareholder(s) who have registered their email address(es) either with the listed entity or with any depository</i></p>	<p>Relaxation to companies to send Annual Report thru email to large database of shareholders.</p>	<p>March 31, 2019</p>
	<p>The disclosures made by the listed entity with immediate effect from date of notification of these amendments-</p> <p>(a) to the stock exchanges shall be in XBRL format in accordance with the guidelines specified by the</p>	<p>Disclosure (Circular in this regard has already been issued by SEBI)</p>	<p>Immediate effect</p>

Particulars	Amendment Regulations	Action Point	Deadline
	<p>stock exchanges from time to time; and</p> <p>(b) to the stock exchanges and on its website, shall be in a format that allows users to find relevant information easily through a searching tool:</p> <p>Provided that the requirement to make disclosures in searchable formats shall not apply in case there is a statutory requirement to make such disclosures in formats which may not be searchable, such as copies of scanned documents.</p>		
<b>Disclosure of transactions under Related Party Disclosures</b>	<i>Disclosures of transactions of the listed entity with any person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the listed entity, in the format prescribed in the relevant accounting standards for annual results.</i>	The coverage is to be checked as it is more exhaustive now.	March 31, 2019
<b>Disclosure of Key Financial Ratio</b>	<p>(a) <i>Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefor, including:</i></p> <p>(i) <i>Debtors Turnover , (ii) Inventory Turnover (iii) Interest Coverage Ratio, (iv) Current Ratio (v) Debt Equity Ratio , (vi) Operating Profit Margin (%) , (vii) Net Profit Margin (%)</i></p> <p><i>or sector-specific equivalent ratios, as applicable.</i></p> <p><i>- detailsofanychangeinReturnonNetWorthas compared to the immediately previous financial year along with a detailed explanation thereof</i></p>	Key Financial Ratios to be disclosed with explanations.	March 31, 2019
<b>CG Report forming part of Annual Report</b>	number of other board of directors or committees in which a directors is a member or chairperson, <i>and with effect from the Annual Report for the year ended 31st March 2019, including separately the names of the listed entities where the person is a director and the category of directorship</i>	Name of the Listed entities to be covered henceforth	March 31, 2019
<b>Disclosures relating to Board of directors:</b>	<p>- <i>A chart or a matrix setting out the skills/expertise/competence of the board of directors specifying the following:</i></p> <p>(i) <i>With effect from the financial year ending March 31, 2019, the list of core skills/expertise/competencies identified by the board of directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the board;and</i></p> <p>(ii) <i>With effect from the financial year ended March 31, 2020, the names of directors who have such skills / expertise /competence</i></p> <p>- <i>confirmation that in the opinion of the board, the independent directors fulfill the conditions specified in these regulations and are independent of themanagement.</i></p> <p>- <i>detailed reasons for the resignation of an independent director who resigns before the expiry of his tenure along with a confirmation by such director that there are noother material reasons other than those provided.”</i></p>	<p>Skills/ expertise to be disclosed.</p> <p>Skills/ expertise along with Name of the Director to be disclosed <i>Alreadyexists</i></p> <p><i>Similar requirement for disclosure also</i></p>	<p>March 31, 2019</p> <p>March 31, 2020</p> <p>March 31, 2019</p> <p>March 31, 2019</p>

Particulars	Amendment Regulations	Action Point	Deadline
General shareholder information:	- list of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad	Credit Ratings to be provided	March 31, 2019
	- Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).	Already covered	March 31, 2019
	- a certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.	A Certificate from CS in practice for disqualification of Directors.	March 31, 2019
	- where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof: <i>Provided that the clause shall only apply where recommendation of / submission by the committee is required for the approval of the Board of Directors and shall not apply where prior approval of the relevant committee is required for undertaking any transaction under these Regulations.</i>	Already exists.	March 31, 2019
	- <b>Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is apart.</b> Save as specified otherwise, the amendments to Schedule V shall be applicable in respect of Annual reports filed for the year ended March 31, 2019 and thereafter.		
Website	The listed entity shall disseminate the following information <b><i>under a separate section</i></b> on its website: (a) details of its business; (b) terms and conditions of appointment of independent directors; (c) composition of various committees of board of directors;	A separate section to be enacted on the Website for the information.	April 1, 2019
	- <b><i>With effect from October 1, 2018, all credit ratings obtained by the entity for all its outstanding instruments, updated immediately as and when there is any revision in any of the ratings.</i></b> - <b><i>separate audited financial statements of each subsidiary of the listed entity in respect of a relevant financial year, 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.</i></b>	Credit Ratings (already exists)	October 1, 2018  April 1, 2019

Particulars	Amendment Regulations	Action Point	Deadline
<b>Prior Intimation</b>	<p>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:</p> <p><b>DELETION</b></p> <p><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></p>	Clarificatory in nature	October 1, 2018
<b>Schedule III – Disclosure of Events / Information</b>	<ul style="list-style-type: none"> <li>➤ In case of resignation of the auditor of the listed entity, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed by the listed entities to the stock exchanges as soon as possible but not later than twenty four hours of receipt of such reasons from the auditor.</li> <li>➤ Resignation of auditor including reasons for resignation: In case of resignation of an independent director of the listed entity, within seven days from the date of resignation, the following disclosures shall be made to the stock exchanges by the listed entities: <ul style="list-style-type: none"> <li>i. Detailed reasons for the resignation of independent directors as given by the said director shall be disclosed by the listed entities to the stock exchanges.</li> <li>ii. The independent director shall, along with the detailed reasons, also provide a confirmation that there is no other material reasons other than those provided.</li> <li>iii. The confirmation as provided by the independent director above shall also be disclosed by the listed entities to the stock exchanges along with the detailed reasons as specified in sub-clause (i) above.</li> </ul> </li> </ul>	While informing resignation Auditors/ ID, reason for their resignation to be provided (already exists). However, ID to also confirm that the reason submitted by the company is true & fact.	April 1, 2019