
Guidance Note on Annual Secretarial Compliance Report



**THE INSTITUTE OF
Company Secretaries of India**

भारतीय कम्पनी सचिव संस्थान

IN PURSUIT OF PROFESSIONAL EXCELLENCE

Statutory body under an Act of Parliament

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Disclaimer

The checklists provided in this publication are indicative and not exhaustive. Company Secretary in Practice (PCS) may go through various additional documents and may also exercise additional checks for issuing the Annual Secretarial Compliance (ASC) Report.

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PREFACE

*“Compliance” is just a subset of “governance”
and not the other way around.*

-Pearl Zhu, Digitizing Boardroom

Corporate Governance and Compliance are intricately linked. Governance is the overall management approach, Board Members and Senior Executives use to control and direct an organization. Compliance is the process through which companies demonstrate that they have conformed to specific requirements of laws, regulations, contracts, strategies and policies. Both governance and compliance involve rules of conduct and controls on organizational behaviour.

It was always comprehended by both the Regulators and Corporates that enactment of various laws is not enough and the desired results cannot be achieved unless their implementation is geared up. This gap is filled by the Compliance Reporting Mechanism which ensures that all applicable rules, regulations and standards set by regulatory bodies and government agencies are adhered to and implemented coherently, consistently and in the right spirit.

Failure to comply means businesses are subject to regulatory penalties, including fines and imprisonment. Reporting of Compliance ensures that a business is complying with the domestic and international regulations and also assessing the internal controls and processes which ensure that the rules are being followed.

The purpose of the Compliance Reporting is to hold processes accountable, not let them fall to the wayside and provide for modification when there is a risk to compliance.

Realising the need of growing Compliance Reporting mechanism in letter and spirit, the Indian Capital Market Regulator, SEBI came out with the Circular dated February 08, 2019 mandating Annual Secretarial Compliance Report to be submitted by a Company Secretary in Practice to the listed entity on an annual basis, regarding compliance of all applicable SEBI Regulations and Circulars/Guidelines issued thereunder.

(iii)

All these developments, policy initiatives and new legislations emphasize the importance of accountability and transparency, for which the SEBI has entrusted Company Secretaries in Practice with the responsibility to exercise check on the Secretarial Compliances of a listed entity on annual basis.

Further, the SEBI has suggested the ICSI to bring out a Guidance Note in this regard. In this direction, the Institute has brought out this Guidance Note to sensitize the members of the Institute to accomplish the task to the utmost satisfaction of all the stakeholders. This Guidance Note highlights the process and scope of Annual Secretarial Compliance Report and also provides detailed checklists with respect to all mandatory laws as specified in the prescribed format by SEBI.

I sincerely hope that this publication shall prove to be of immense practical value to the members of the Institute while carrying out the exercise of Annual Secretarial Compliance Report and also to gain better understanding of the essence of laws.

I place on record my sincere thanks to Shri Pradeep Ramakrishnan, GM, SEBI for his valuable inputs on preparing the manuscript of this publication.

I commend the dedicated efforts put in by CS Alka Arora, Joint Director and CS Khusbu Mohanty, Assistant Director, under the overall guidance of CS Sonia Baijal, Director, ICSI and stewardship of CS Ashok Kumar Dixit, Officiating Secretary, in preparation of this publication.

Furthermore, inevitably, in any publication, there is always scope for further improvement. I would personally be grateful to users and readers for offering the suggestions/comments for further refinement of the contents of the publication.

CS Ranjeet Pandey

President

The Institute of Company Secretaries of India

Date : April 08, 2019

Place : New Delhi

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Introduction

Prologue

There are plethora of laws, rules, procedures and regulations applicable to every form of business. The Corporate sector in India has to abide by various Acts, rules and regulations made thereunder.

Every Company, while pursuing its business activities, has to comply with the rules and regulations relating to the Companies Act, Securities Laws, FEMA, Industry Specific laws and General laws like Labour laws, Competition law and Environment related laws etc. and is further expected to good governance practices.

Under the Companies Act, 2013, a Company Secretary, along with other Key Managerial Personnel and Whole time Directors may be treated as 'officer who is in default' and will be liable for penal consequences for non-compliance, while under most of the other laws, persons in charge of and responsible for the conduct of business of the company are held responsible.

The Regulators have expressed faith in the profession of Company Secretary for furtherance of better control and development of the good governance in the Corporate Sector in India. The role of Company Secretaries have increased manifold under the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI (Prohibition of Insider Trading) Regulations, 2015 and other Regulations.

Company Secretary is a competent officer to ensure compliances that is the reason the SEBI, in line with International Best Practices, made it mandatory for listed entity to appoint a Company Secretary as Compliance Officer. Further, to ensure better and effective compliance management, a Company Secretary in Practice is authorised by the SEBI for issuance of Annual Secretarial Compliance Report to listed entity effective from the financial year ended on March 31, 2019.

BACKGROUND

The Securities and Exchange Board of India (SEBI) as the nodal agency for regulation of capital market in India is continuously bringing out new regulations and guidelines for keeping pace with the development of international capital markets. One of the steps in this direction was SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR Regulations') which came into effect from December 01, 2015.

Corporate Governance being a dynamic concept. India Inc. has also faced issues of aligning Corporate Governance with the evolving business environment. Accordingly, the SEBI, in June 2017, constituted a Committee under the Chairmanship of Shri Uday Kotak to review the existing Corporate Governance principles. The Committee was represented by different stakeholders including the Government, Industry, Stock Exchanges, Academicians, Proxy Advisors, Professional Bodies (including ICSI), Lawyers, etc. The Committee in its Report proposed a set of Corporate Governance norms aimed at increasing transparency, strengthening board independence, board composition and enhancing disclosures.

Based on the recommendations of the Kotak Committee, SEBI notified the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 dated May 09, 2018 enhancing the Corporate Governance norms to be complied with by a listed entity; which were followed by a Circular on May 10, 2018 for implementation of certain recommendations of the Kotak Committee.

Specifically, Regulation 24A was inserted and made effective for the financial year ended March 31, 2019 in the LODR Regulations which mandated the requirements of annexing a Secretarial Audit report in a specified format for the listed entity and all its material unlisted subsidiaries.

The SEBI *vide* its Circular dated February 8, 2019, specified that the listed entity and its unlisted material subsidiaries shall continue to use the same Form No. MR-3 as required under Companies Act, 2013 and the Rules made thereunder for the purpose of compliance with Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, in terms of Secretarial Audit by virtue of Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 which provides that:

1. every listed company;
2. every public company having a paid-up share capital of fifty crore rupees or more; or
3. every public company having a turnover of two hundred fifty crore rupees or more

shall annex with its Board's Report made in terms of sub-section (3) of section 134, a Secretarial Audit Report, given by a Company Secretary in Practice, in such form as may be prescribed.

Applicability of Annual Secretarial Compliance Report

While the Annual Secretarial Audit shall cover a broad check on compliance with all laws applicable to the entity, listed entities shall **additionally**, on an annual basis, require a check by the Company Secretary in Practice on compliance of all applicable the SEBI Regulations and circulars / guidelines issued thereunder, consequent to which, the Company Secretary in Practice shall submit a report to the listed entity in the manner specified in this circular.

The Annual Secretarial Compliance Report is applicable to all Listed Entities.

The format for Annual Secretarial Compliance (ASC) Report which is required to be annexed to the Annual Report for the financial year 2018-19 has been prescribed in the circular.

As per SEBI Listing Regulations:

“Listed entity” means an entity which has listed, on a recognised stock exchange(s), the designated securities issued by it or designated securities issued under schemes managed by it, in accordance with the listing agreement entered into between the entity and the recognised stock exchange(s).

Explanation : As it is apparent from the above definition, listed entity means and includes entities other than companies such as banks, body corporates etc. securities of which are listed on the Stock Exchange(s).

“Material subsidiary” shall mean a subsidiary, whose income or net worth exceeds ten percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year. (w.e.f. 01.04.2019)

Accordingly, by virtue of the above definitions, it is implied that, every unlisted material subsidiary which is a public company or private company, it has to fall under the category of material subsidiary as defined under the SEBI Listing Regulations to which the Secretarial Audit is applicable for the financial year 2019-20 onwards.

However, for the year 2018-19 the definition of Material Subsidiary shall mean a 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 and the provisions of the law shall be applicable on them accordingly.

The listed entity in addition to the Secretarial Audit Report as required under section 204 of the Companies Act, 2013 read with its Rules, is also required to annex a separate report i.e. 'Annual Secretarial Compliance Report' for due compliance with the circular.

The ASC report is required to be submitted by the listed entity to the Stock Exchange(s) within 60 days from the end of the financial year.

Purpose

The ASC Report postulates for an independent verification of the records, books, papers and documents by a Company Secretary in Practice to check the compliance status of the company with the provisions of all applicable SEBI laws, Regulations and circulars/guidelines issued thereunder.

Further, SEBI has also suggested for the issuance of a guidance note by ICSI for enabling the Company Secretary in Practice to conduct this exercise in letter and spirit.

Scope

The Company Secretary in Practice needs to examine and report the compliance of the SEBI Regulations, which *inter alia* includes:

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (g) Securities and Exchange Board of India (Issue and Listing

of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;

(h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(i)(other regulations as applicable)

and circulars/ guidelines issued thereunder;

(Note: The aforesaid list of Regulations is only illustrative. The list of all SEBI Regulations, as may be relevant and applicable to the listed entity for the review period, shall be added.)

Minimum fees to be charged with respect to exercise of Annual Secretarial Compliance Report

There is no minimum fees prescribed by ICSI for issuing the Annual Secretarial Compliance Report by a Company Secretary in Practice. However, it would be in the fitness of things that Company Secretary in Practice takes proper call about fees considering the nature & size of the company, type of company and the efforts required to be put in while carrying out such exercise. It is expected that member should maintain high standard and quality in issue of the ASC Report.

Signing

The Annual Secretarial Compliance Report should be signed by the Company Secretary in Practice by whom the exercise for verifying/ checking the compliances was conducted or under whose supervision the same was conducted indicating his FCS/ ACS number along with Certificate of Practice Number issued by the Institute of Company Secretaries of India.

In case of PCS firm, the Annual Secretarial Compliance Report may be signed by the partner by whom the exercise for verifying/ checking the compliances was conducted or under whose supervision the same was conducted indicating his FCS/ACS number alongwith his Certificate of Practice number. The Annual Secretarial Compliance Report cannot be signed by an employee of the PCS firm even if he/she may be a member of the ICSI.

Reporting Observations/ Adverse Remarks

1. Details of any action taken by the SEBI or Stock Exchanges should be stated by the Company Secretary in Practice table

- (c) of the format as prescribed in the SEBI Circular in his report in bold type or in italics.
2. If the scope of work required to be performed is restricted on account of restrictions imposed by the company or on account of circumstantial limitations (like certain books or papers being in the custody of another person who is not available or a Government Authority), the Report should indicate such limitations.
 3. If such limitations are so material that the Company Secretary in Practice is unable to express any opinion, the Company Secretary in Practice should state that in the absence of necessary information and records, he is unable to report on compliance(s) relating to such areas by the Company.

Clarification on filing of Secretarial Audit Report of Material Unlisted subsidiary

The Secretarial Audit Report (MR-3) for the Material Unlisted Subsidiaries is incorporated in India has to be filed to the Stock Exchange by the listed entity along with the Annual Report of the listed entity.

Diligence while checking the compliances and co-operation by the listed entity in this regard

Where certifications by other intermediaries like Merchant Bankers are required (e.g. in case of public issues, takeovers etc.) with respect to compliances with the provisions of any SEBI Regulations, the Company Secretary in Practice may rely upon their due diligence certificates; if thought fit, the Company Secretary in Practice may perform a sample check. It is imperative that the Company Secretary in Practice undertakes necessary diligence while checking the compliances. This exercise might include the requirement of various certificates/declarations/undertakings from the listed entity/its related entities and their co-operation in the matter is desired. While checking the compliances for the ASC Report, Company Secretary in Practice may also refer the relevant Circulars and Amendments issued by the SEBI.



भारतीय प्रतिभूति और विनियम बोर्ड
Securities and Exchange Board of India

CIRCULAR

CIR/CFD/CMD1/27/2019

February 08, 2019

To

All Listed Entities (whose equity shares are listed) and their material subsidiaries

All the Recognized Stock Exchanges

Institute of Company Secretaries of India (ICSI)

Madam / Sir,

Sub: Format for annual secretarial audit report and annual secretarial compliance report for listed entities and their material subsidiaries

1. The Committee on Corporate Governance, constituted under the Chairmanship of Shri Uday Kotak, in its report dated October 05, 2017, recommended the following in view of the criticality of secretarial functions to efficient board functioning:
 - a. Secretarial audit to be made compulsory for all listed entities under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Regulations”) in line with the provisions of the Companies Act, 2013.
 - b. Secretarial audit to be extended to all material unlisted Indian subsidiaries in line with the recommendations of the Committee on strengthening group oversight and improving compliance at a group level for listed entities.
2. The aforesaid recommendations were accepted and in order to implement the same, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been amended to include the following Regulation 24A:

“24A: Secretarial Audit

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 prescribed with effect from the year ended March 31, 2019.”

3. Accordingly, the following shall be complied with by a listed entity and its material unlisted subsidiaries, as applicable:
 - a. Annual secretarial audit report:
 - (i) Currently, Section 204 of the Companies Act, 2013 read with rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 requires Secretarial Audit by Practicing Company Secretaries (PCS) for listed companies and certain unlisted companies above a certain threshold in Form No. MR-3.
 - (ii) In order to avoid duplication, the listed entity and its unlisted material subsidiaries shall continue to use the same Form No. MR-3 as required under Companies Act, 2013 and the rules made thereunder for the purpose of compliance with Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well.
 - b. Annual secretarial compliance report:
 - (i) While the annual secretarial audit shall cover a broad check on compliance with all laws applicable to the entity, listed entities shall additionally, on an annual basis, require a check by the PCS on compliance of all applicable SEBI Regulations and circulars/ guidelines issued thereunder, consequent to which, the PCS shall submit a report to the listed entity in the manner specified in this circular.
 - (ii) The format for the annual secretarial compliance report is placed at Annex-A.
 - (iii) The annual secretarial compliance report in the aforesaid format shall be submitted by the listed entity to the stock exchanges within 60 days of the end of the financial year.
 - c. The listed entities and their material subsidiaries shall provide all such documents/information as may be sought by the PCS for the purpose of providing a certification under the Regulations and this circular.

4. ICSI may consider issuing a guidance note to Practising Company Secretaries to enable them to undertake certifications in accordance with the Regulations and this circular in letter and in spirit.
5. The Stock Exchanges are advised to bring the provisions of this circular to notice of the listed entities and also to disseminate on their websites.
6. This circular shall come into force as under:
 - a. With respect to the annual secretarial audit report, in the annual reports of the listed entities and the material unlisted subsidiaries from the financial year ended March 31, 2019 onwards.
 - b. With respect to the annual secretarial compliance report, applicable to listed entities, with effect from the financial year ended March 31, 2019 onwards.
7. The circular is issued in exercise of the powers conferred under sections 11 and 11A of the Securities and Exchange Board of India Act, 1992 read with Regulations 24A and 101 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
8. The circular is available on SEBI website at www.sebi.gov.in under the category 'Legal ---> Circulars'.

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भारतीय प्रतिभूति और विनियम बोर्ड
Securities and Exchange Board of India

Annex-A

(On the letter head of the Practicing Company Secretary)

Secretarial compliance report of [] [Name of the listed entity] for the year ended _____

I/We..... have examined:

- (a) all the documents and records made available to us and explanation provided by [] [Name of the listed entity] (“the listed entity”),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended [] (“Review Period”) in respect of compliance with the provisions of :

- (a) the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i)(other regulations as applicable)

and circulars/ guidelines issued thereunder;

(Note: The aforesaid list of Regulations is only illustrative. The list of all SEBI Regulations, as may be relevant and applicable to the listed entity for the review period, shall be added.)

and based on the above examination, I/We hereby report that, during the Review Period:

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr.No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary

- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my/our examination of those records.
- (c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through

various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of action taken e.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.

(d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended... (The years are to be mentioned)	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity

(Note:

1. Provide the list of all the observations in the report for the previous year along with the actions taken by the listed entity on those observations.
2. Add the list of all observations in the reports pertaining to the periods prior to the previous year in case the entity has not taken sufficient steps to address the concerns raised/ observations.

E.g. In the report for the year ended 31st Mar, 2021, the PCS shall provide a list of:

- all the observations in the report for the year ended 31st Mar, 2020 along with the actions taken by the listed entity on those observations.
- the observations in the reports pertaining to the year ended 31st Mar, 2020 and earlier, in case the entity has not taken sufficient steps to address the concerns raised/ observations in those reports.)

Place:

Signature:

Date:

Name of the Practicing Company Secretary
ACS/ FCS No.:
C P No.:

Checklist

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

Listing Agreement is a basic document which is executed between companies and the stock exchange when companies are listed on the stock exchange. Listing Agreement entered into by listed companies with the stock exchanges prescribes initial and continuous disclosure norms. The modifications to provisions of Listing Agreement are prescribed by the SEBI.

The SEBI has launched numerous policy initiatives not only to strengthen the regulatory framework of the Indian Capital Market but also align the role of Capital Market with the international best practices and more importantly to the investing and funding needs of the inspirational Indian population. Broadly, the regulatory framework in India is in compliance with the OECD Principles, an international benchmark worldwide. A step further in this direction was envisioned through the policy measures when SEBI notified the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The SEBI Listing Regulations lay down the broad principles for periodic disclosures to be given by the listed entities operating in different segments of the capital markets. The Listing Regulations were structured to provide ease of reference by consolidating provisions of the then ongoing Listing Agreements into one single document across various types of securities listed on the Stock Exchanges.

This checklist covers the various compliances relating to continual disclosures and periodic disclosures which are time -based and event -based.

Note: It is advisable to refer all the relevant and updated Amendments and Circulars made by SEBI w.r.t the SEBI Listing Regulations while conducting the Annual Secretarial Compliance of a listed entity.

For provisions which shall be effective from 01.04.2019, the PCS will simply indicate not applicable as the Annual Secretarial Compliance Report is effective for the financial year ended on 31st March, 2019.

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
1.	Whether the Compliance Officer has confirmed the following: (a) conformity with the regulatory provisions applicable to the listed entity in letter and spirit. (b) co-ordination with and reporting to the Board, recognised stock exchange(s) and depositories with respect to compliance with rules, regulations and other directives of these authorities in manner as specified from time to time. (c) that the correct procedures have been followed that would result in the correctness, authenticity and comprehensiveness of the information, statements and reports filed by the listed entity under these regulations. (d) monitoring email address of grievance redressal division as designated by the listed entity for the purpose of registering complaints by investors.	6 (2)	Declaration from the Company Secretary (Compliance Officer) and disclosures made in this behalf.
2.	Whether the listed entity has appointed SEBI registered Share Transfer Agent (RTA) and submitted Compliance Certificate to the Stock Exchange regarding compliance with respect to share transfer facility?	7(1) & (3)	• Agreement with the RTA and SEBI's website (For registered RTA). • Copy of Compliance Certificate.

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
3.	Whether the listed entity has changed or appointed a new Share Transfer Agent (STA) ? If so, whether tripartite agreement between the existing and new Share Transfer Agent and listed entity has been made?	7 (4)	Copy of the tripartite agreement.
4.	Whether the listed entity has intimated about the appointment of STA to the Stock Exchange within seven days of entering into the agreement?	7(5)	Disclosures made to the Stock Exchange.
5.	Whether the listed entity has formulated any policy for preservation of the documents, duly approved by its Board of Directors?	9	• Preservation policy of the listed entity as approved by the Board of Directors. • Board Resolution.
6.	Whether the listed entity has filed the reports, statements, documents and any other information with the recognised Stock Exchange(s) on the electronic platform as specified by the SEBI or the recognised Stock Exchange(s)?	10	Website of the Stock Exchange or communications made to the Stock Exchange.
7.	Whether, the listed entity has ensured that any scheme of arrangement /amalgamation / merger/reconstruction/reduction of capital etc. to be presented to any Court or Tribunal does not in any way violate, override or limit the provisions of securities laws or requirements of the Stock Exchange(s)?	11	Declaration from the Compliance Officer of the listed entity regarding the same.

Sl. No	Compliance Requirement	Regulation No.	Basic Documents to be checked/ Verified
	<i>However, exemption to this regulation is granted by way of circular issued by SEBI on November 30, 2015. SEBI had revised such exemption by way of issuing circulars on March 10, 2017, September 21, 2017, January 03, 2018 and also made clarification related to “record date” on March 23, 2017.</i> <i>SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015 lays down the detailed requirements to be complied with by listed entities while undertaking schemes of arrangements.</i>		
8.	Whether the listed entity has used any of the electronic mode of payment facility approved by the Reserve Bank of India, in the manner specified in Schedule I, for the payment of the following: (a) dividends; (b) interest; (c) redemption or repayment amounts. In case, where it is not possible to use electronic mode of payment, whether the listed entity has issued any ‘payable-at-par’ warrants or cheques ?	12	• Random debits in the bank accounts of the listed entity. • In case of physical dispatch, proof of dispatch.
9.	Whether the listed entity has registered itself on the SCORES platform, in order to handle investor complaints electronically?	13 (2)	SEBI’s SCORES website https://scores.gov.in/scores/EntityStatus.html
10.	Whether the listed entity has filed with the Recognized Stock	13 (3)	• Copy of the statement

Sl. No	Compliance Requirement	Regulation No.	Basic Documents to be checked/ Verified
	Exchange, a statement with respect to investor complaints, on a quarterly basis?		submitted to the Stock Exchange. • Website of the Stock Exchange.
11.	Whether the statement as specified in sub-regulation (3) has been placed, on quarterly basis, before the Board of Directors of the listed entity?	13(4)	Minutes of the Board Meeting where the quarterly statement was placed.
12.	Whether the listed entity has complied with the requirements of composition of Board of Directors?	17 (1)	• Last Quarter Corporate Governance Report. • Board Resolution.
13.	Whether any person appointed as director has been continuing the directorship as a non –executive director beyond the age of seventy five years? If yes, whether a special resolution has been passed for the same?	17(1A)	• Special resolution and explanatory statement annexed to the notice for such resolution. • Composition of the Board.
14.	Whether the requisite quorum was present during the Board Meetings ?	17(2A)	Minutes of Board Meetings of the entire year.
15.	Whether the Board of Directors have laid down a Code of Conduct for all members of the Board and Senior management of the listed entity?	17(5) (a) & 26 (3)	• Copy of Code of Conduct and Disclosures on Website of the listed entity.

Sl. No	Compliance Requirement	Regulation No.	Basic Documents to be checked/ Verified
			Affirmation of adherence given by the Board of Directors and Senior Management to the Compliance Officer.
16.	Whether the CEO and CFO have provided the Compliance Certificate to the Board of Directors as specified in Part B Schedule II?	17(8)	- Board Resolution. - Copy of Compliance Certificate.
17.	Whether the listed entity has laid down any procedures to inform members of Board of Directors about risk assessment and minimization procedures?	17 (9)(a)	Board Resolution.
18.	Whether the directors of the listed entity have breached the limit of maximum number of directorship as required under these regulations?	17A	- Declaration by the Board. - Corporate Governance Report of last quarter
19.	Whether the listed entity has constituted the following Committees along with the terms of reference : - Audit Committee; - Nomination and Remuneration Committee; - Stakeholders Relationship Committee; - Risk Management Committee.	18, 19, 20 & 21	- Minutes of the meeting of the respective Committee. - Corporate Governance Report. - Board Resolution.

<i>Sl.No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
	Further, whether requisite quorum was present during the meeting of the above mentioned committees?		
20.	Whether the listed entity has formulated a vigil mechanism for directors and employees?	22	Whistle Blower Policy or Policy for vigil mechanism.
21.	Whether the listed entity has formulated a policy on materiality of related party transaction & on dealing with related party transactions? Whether there has been any complaints made to the Board of Directors?	23(1)	• Copy of Policies. • Disclosures on Website. • CG Report. • Declaration from the Company Secretary that the complaints received, have been taken due care of.
22.	Whether the Policies formulated by the listed entity on Related Party Transactions include clear threshold limits duly approved by the Board of Directors?	23(1)	Board Resolution on review and approval of Related Party Transactions (RPTs).
23.	Whether at least one independent director on the Board of Directors of the listed entity is a director on the Board of Directors of an unlisted material subsidiary, whether incorporated in India or not?	24(1)	Minutes of the Board Meeting of the listed entity.
24.	Whether the Audit Committee of the listed entity has also reviewed the financial statements, in particular, the investments made by the unlisted subsidiary?	24(2)	Minutes of the meeting of Audit Committee of the listed entity.

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
25.	Whether the minutes of Board Meetings of the unlisted subsidiary has been placed at the Board Meetings of the listed entity?	24(3)	Minutes of the Board Meeting of the listed entity.
26.	Whether, the management of the unlisted subsidiary has periodically brought 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?	24(4)	Minutes of the Board Meeting of the listed entity.
27.	Whether any divestment of shares has been made by the holding company in the unlisted material subsidiary?	24(5)	Minutes of the Board Meeting of the listed entity.
28.	Whether, 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 approved by a special resolution prior to such event.	24(6)	Special Resolution and correspondence made to the Stock Exchange. Copy of approval by the Court/ Tribunal as the case may be.
	If so, then whether in case of the sale/disposal/lease be made under a scheme of arrangement duly approved by a Court/ Tribunal, or under a resolution plan duly approved under section 31 of the Insolvency and Bankruptcy Code and such an event has been disclosed to the recognized Stock Exchanges within one day of the resolution plan being approved.		

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
29.	Whether the listed entity and its material unlisted subsidiaries incorporated in India have undertaken any Secretarial Audit?	24A	Secretarial Audit Report.
30.	Whether the independent director(s) of the listed entity has complied with all the obligations as required under regulation 25?	25	Declaration from the independent director.
31.	Whether the directors of the listed entity are not members in more than ten committees or do not act as chairpersons of more than five committees across all listed entities in which they are a director?	26	Declaration / undertaking from the director confirming the same.
32.	Whether the non-executive directors have disclosed their shareholding, in the notice to the general meeting, in which they are supposed to be appointed?	26(4)	• Notice of the general meeting. • Consent letter from the non-executive directors. • Declaration from the non-executive directors regarding the shareholding.
33.	Whether any employee including Key Managerial Personnel or director or promoter of a listed entity has not entered into any agreement for himself or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of	26(6)	• Certified copy of the Board Resolution/ Ordinary Resolution. • Correspondence made to the Stock Exchange for public dissemi-

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
	such listed entity, without prior approval for the same has been obtained from the Board of Directors as well as public shareholders by way of an ordinary resolution? Whether such agreement, if any, subsisting or expired, entered during the preceding three years from the date of coming into force of this sub-regulation, has been disclosed to the Stock Exchanges for public dissemination?		nation of such agreement.
34.	Whether the listed entity has submitted to the Stock Exchange the quarterly compliance report on Corporate Governance duly signed by the compliance officer or the CEO of the listed entity?	27(2)	• Stock Exchange web- site. • Copy of the same may be obtained from the CEO or Compliance Officer.
35.	Whether the listed entity has issued any securities? If so, whether the listed entity has obtained 'in-principle' approval from recognized Stock Exchange?	28(1)	• Application made to the S t o c k Exchange. • Approval letter received from the Stock Exchange.
36.	Whether the listed entity has given prior intimation to the Stock Exchange about the Board Meeting where the following proposal was due to be considered: – financial results viz. quarterly, half yearly, or annual, as the case may be;	29	• Correspondence made with the Stock Exchange. • Declaration from the Compliance Officer about the intimation

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
	– buyback of securities; – voluntary delisting; – fund raising by way of further public offer, rights issue, American Depository Receipts/Global Depository Receipts/Foreign Currency Convertible Bonds, Qualified Institutions Placement, debt issue, Preferential Issue or any other method and for determination of issue price; – declaration/recommendation of dividend; – declaration of bonus securities; – any alteration in the form or nature of any of its securities that are listed on the Stock Exchange or in the rights or privileges of the holders thereof; – any alteration in the date on which, the interest on debentures or bonds, or the redemption amount of redeemable shares or of debentures or bonds, shall be payable.		of the proposed corporate actions.
37.	Whether the listed entity has made disclosure of any material events or information?	30(1)	• List of material events which has been disclosed to the Stock Exchange by Compliance Officer of the listed entity.

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
			Declaration from the Compliance Officer that no other material event has taken place during the period.
38.	Whether the listed entity has framed a policy for determination of materiality, as per the criteria specified duly approved by the Board of Directors?	30(4) (ii)	- Copy of Policy duly approved by the Board of Directors. - Board Resolution. - Website of the listed entity
39.	Whether the listed entity has any archival policy? Whether all the event and information under Regulation so been disclosed on the website ?	30(8)	- Website of the listed entity. - Copy of the archival policy.
40.	Whether the listed entity has submitted to the Stock Exchange(s) a statement showing holding of securities and shareholding pattern separately for each class of securities, within the prescribed timelines?	31(1)	- Shareholding pattern filed with the Stock Exchange. - Website of the Stock Exchange.
41.	Whether the entire promoter and promoter group shareholding is in dematerialized form?	31(2)	- Declaration from the promoters in this regard to be obtained. - Website of the Stock Exchange.

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
			• Formats in which shareholding pattern has been filed.
42.	Whether any person has applied for re-classification of his/her status as a promoter or public? If yes, whether the listed entity has made any application to the Stock Exchange in this behalf?	31A(2)	• Public announcement and shareholder resolution. • Application letter received from the Stock Exchange granting permission for such re-classification.
43.	Whether any of following material events has been disclosed by the listed entity to the Stock Exchanges as soon as reasonably possible as and not later than twenty four hours from the occurrence of the event? (a) receipt of request for re-classification by the listed entity from the promoter(s) seeking re-classification; (b) minutes of the Board Meeting considering such request which would include the views of the Board of Directors on the request; (c) submission of application for re-classification of status as promoter/public by the listed entity to the Stock Exchanges;	31A(8)	• Correspondence made to the Stock Exchanges. • Declaration from the Compliance Officer to be taken in this regard.

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
	(d) decision of the Stock Exchanges on such application as communicated to the listed entity.		
44.	Whether, the listed entity has submitted to the Stock Exchange on quarterly basis a statement of deviation (s) or variation(s), if any?	32(1)	• Stock Exchange web-site. • Communication made to the Stock Exchange. • Copy of statement of deviation (s) or variation(s).
45.	Whether the listed entity has furnished an explanation for the variation specified in sub-regulation (1), in the directors' report in the annual report?	32(4)	Explanation to the Boards' Report.
46.	Whether the listed entity has submitted its: • quarterly and year-to-date standalone financial results; • quarterly / year-to-date consolidated financial results [in case of subsidiaries(s)]; • annual audited standalone financial results along with the audit report and Statement on Impact of Audit Qualifications (applicable only for audit report with modified opinion); • audited or limited reviewed financial results.	33(3)	• Board's report. • Minutes of Board Meeting where the financial results have been approved. • Website of the Stock Exchange.

Sl. No	Compliance Requirement	Regulation No.	Basic Documents to be checked/ Verified
47.	Whether the listed entity has also submitted as part of its standalone or consolidated financial results for the half year, by way of a note, a statement of assets and liabilities as at the end of the half-year? Whether, the listed entity has also submitted 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? Whether, the listed entity has ensured that, for the purposes of quarterly consolidated financial results, at least eighty percent of each of the consolidated revenue, assets and profits, respectively, would have been subject to audit or in case of unaudited results, subjected to limited review?	33(3) (f), (g) & (h)	A declaration from the listed entity regarding compliance of the same.
48.	Whether the listed entity has submitted to the Stock Exchange a copy of annual report?	34(1)	• Proof of dispatch in case of physical copy and if sent electronically, in that case e-mail sent in this regard. • Correspondence made with the Stock Exchange. • Copy of Annual Report of the listed entity.
49.	Whether the listed entity has submitted the copy of Business Responsibility Report (BRR) with the Stock Exchange?	34(2) (f)	• Copy of the BRR filed with the Stock Exchange.

Sl.No	Compliance Requirement	Regulation No.	Basic Documents to be checked/ Verified
50.	Whether the listed entity has sent all the requisite documents and information as required under these regulations to be sent to the shareholders?	36	Proof of dispatch.
51.	In case of the appointment of a new director or re-appointment of a director, whether the shareholders were provided with the following information? (a) a brief resume of the director; (b) nature of his expertise in specific functional areas; (c) disclosure of relationships between directors inter-se; (d) names of listed entities in which the person also holds the directorship and the membership of Committees of the Board; and (e) shareholding of non-executive directors.	36(3)	• Notice given in this regard. • Annual report.
52.	Whether the listed entity has obtained Observation letter or No-objection Letter from Stock Exchange for Draft Scheme of Arrangement & Scheme of Arrangement? <i>Exemption has been granted by way of circular issued by SEBI on November 30, 2015. SEBI had revised such exemption by way of issuing circulars on March 10, 2017, September 21, 2017, January 03, 2018 and also made clarification related to "record date" on March 23, 2017.</i>	37(1)	• Related disclosures made to the Stock Exchange. • Notice/ letter informing about the same scheme of arrangement. • Declaration from the Compliance Officer that it has complied

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
			with the Circulars issued by SEBI in this regard.
53.	Whether the listed entity has complied with the requirements of minimum public shareholding as specified in Rule 19(2) and Rule 19A of the Securities Contracts (Regulation) Rules, 1957?	38	Shareholding pattern of the listed entity submitted to the Stock Exchange.
54.	Whether the listed entity has submitted information regarding loss of share certificates and issue of duplicate share certificates to the stock exchange?	39(3)	Intimation made to the Stock Exchange.
55.	Whether the listed entity has intimated the record date to all the Stock Exchange(s) where it is listed?	42(1)	Notices given to the Stock Exchange on each corporate action.
56.	Whether the listed entity has declared and disclosed the dividend on per share basis only?	43(1)	Dividend declared.
57.	Whether the listed entity (top 500) has formulated a dividend distribution policy?	43A(1)	- Website of the listed entity. - Annual report.
58.	Whether the listed entity has submitted the details of voting results to the stock exchange?	44(3)	Communication made to the Stock Exchange regarding voting results.

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
59.	Whether the listed entity (if falling within the top 100 entities by market capitalization) has held its Annual General Meeting within a period of five months from the date of closing of the financial year?	44(5) & (6)	Minutes of the Annual General Meeting.
60.	Whether the listed entity has changed its name during the past one year?	45(1)	• Disclosures made to the Stock Exchange and RoC. • Chartered Accountant certificate provided in this regard.
61.	Whether the listed entity has maintained a functional website containing the basic information about the listed entity?	46(1)	Website of the listed entity.
62.	Whether the listed entity has published the following in the newspaper: — Notice of Board Meeting where financial results has been discussed. — Financial results along with modified opinion(s) or reservation (s), if any. — Statement of deviation (s) or variation(s). — Notices given to shareholders by advertisement.	47(1)	Copy of newspapers where such information are published.

Obligations of listed entity which has listed its Non-Convertible Debt Securities or Non-Convertible Redeemable Preference Shares or both

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
63.	Whether the listed entity has given prior intimation to the Stock Exchange(s) at least eleven working days before the date on and from which the interest on debentures and bonds, and redemption amount of redeemable shares or of debentures and bonds has been payable?	50(1)	• Correspondence made to the Stock Exchange. • Declaration from the Compliance Officer.
64.	Whether the listed entity has intimated to the Stock Exchange(s), its intention to raise funds through new non-convertible debt securities or non-convertible redeemable preference shares which it proposes to list either through a public issue or on private placement basis, prior to issuance of such securities? Whether the above intimation has been given prior to the meeting of Board of Directors wherein the proposal to raise funds through new non-convertible debt securities or non-convertible redeemable preference shares was considered?	50(2)	• Correspondence made to the Stock Exchange. • Declaration from the Compliance Officer.
65.	Whether, the listed entity has intimated to the Stock Exchange(s), at least two working days in advance, excluding the date of the intimation and date of the meeting, regarding the meeting of its Board of Directors, at which the recommendation or	50(3)	• Correspondence made to the Stock Exchange. • Declaration from the Compliance Officer.

Sl. No	Compliance Requirement	Regulation No.	Basic Documents to be checked/ Verified
	declaration of issue of non-convertible debt securities or any other matter affecting the rights or interests of holders of non-convertible debt securities or non-convertible redeemable preference shares is proposed to be considered?		
66.	Whether the listed entity has promptly informed the Stock Exchange(s) of all information having bearing on the performance/operation of the listed entity, price sensitive information or any action that would have affected the payment of interest or dividend of non-convertible preference shares or redemption of non-convertible debt securities or redeemable preference shares?	51	Fax/ e-mail etc. communication made to the Stock Exchange.
67.	Whether the listed entity has submitted the following to the Stock Exchange? • Half yearly un-audited or audited Financial Results; • Un-audited financial results accompanied by limited review report; • Statement of Material Deviations; • Modified opinion(s); • Statement on Impact of Audit Qualifications (for audit report with modified opinion); • Annual audited financial results; • Limited review report.	52 (1), (2), (3) & (7)	• Minutes of the Board meeting where the financial results were approved. • Correspondence made with the Stock Exchange to submit the same. • Website of the Stock Exchange.

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
68.	Whether the listed entity, while submitting half yearly / annual financial results, has disclosed the various line items as required under sub-regulation (4), along with the financial results?	52(4)	Certificate given by the debenture trustee regarding compliance of the same.
69.	While submitting the information required under sub-regulation (4), whether the listed entity has been submitted to the Stock Exchange(s), a certificate signed by debenture trustee that it has taken note of the contents?	52 (5)	Correspondence / Copy of the certificate submitted to the Stock Exchange.
70.	Whether, the listed entity has, within two calendar days of the conclusion of the meeting of the Board of Directors, published the financial results and statement referred to in sub-regulation (4), in at least one English national daily newspaper circulating in the whole or substantially the whole of India?	52(8)	Copies of the newspaper where the financial results are published.
71.	Whether the listed entity has maintained hundred per cent asset cover sufficient to discharge the principal amount at all times for the non-convertible debt securities issued, in respect of its listed non-convertible debt securities?	54(1)	Certification given by Practising Company Secretary or Practising C h a r t e r e d Accountant under Regulation 56 (1) (d).
72.	Whether, the listed entity has disclosed to the Stock Exchange in quarterly, half-yearly, year-to-date and annual financial statements, as applicable, the extent and nature of security	54(2)	Correspondence made with the Stock Exchange.

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
	created and maintained with respect to its secured listed non-convertible debt securities?		
73.	Whether each rating obtained by the listed entity with respect to non-convertible debt securities has been reviewed at least once a year by a Credit Rating Agency (CRA) registered with SEBI?	55	Declaration from the CRA.
74.	Whether the listed entity has, subject to the consent of the debenture trustee, sent the information stipulated in sub-regulation (1), in electronic form/ fax?	56(3)	E-mails/fax through which the information has been sent to the Stock Exchanges.
75.	Whether the listed entity has submitted a certificate to the Stock Exchange within two days of the interest or principal or both becoming due that it has made timely payment of interests or principal obligations or both in respect of the non-convertible debt securities?	57	Copy of certificates and undertakings submitted to the Stock Exchange.
76.	Whether the listed entity has provided an undertaking to the Stock Exchange(s) on annual basis stating that all documents and intimations required to be submitted to Debenture Trustees in terms of Trust Deed and SEBI (Issue and Listing of Debt Securities) Regulations, 2008 have been duly submitted ?	58	• Proof of dispatch in case of hard copy and in case of electronic mode, emails sent in this regard. • For bounce e-mails, hard copy of the same has been dispatched and proof of dispatch.

Sl. No	Compliance Requirement	Regulation No.	Basic Documents to be checked/ Verified
77.	Whether the listed entity has sent all the documents/ notices/ proxy forms to holders of non-convertible debt securities and non-convertible redeemable preference shares? Whether the listed entity has not made material modification without prior approval of the stock exchange(s) where the non-convertible debt securities or non-convertible redeemable preference shares, as applicable, are listed, to: (a) the structure of the debenture in terms of coupon, conversion, redemption, or otherwise. (b) the structure of the non-convertible redeemable preference shares in terms of dividend of non-convertible preference shares payable, conversion, redemption, or otherwise.	59(1)	Letter of approval received from the Stock Exchange.
78.	Whether the listed entity has fixed a record date for purposes of payment of interest, dividend and payment of redemption or repayment amount or for such other purposes as specified by the Stock Exchange and whether a notice has been given to the Stock Exchange to intimate about the same notice in advance of at least seven working days (excluding the date of intimation and the record date)?	60	• P u b l i c announcement made in this regard. • C o r r e s p o n - d e n c e made to the Stock Exchange intimating about the same.

<i>Sl.No</i>	<i>Compliance Requirement</i>	<i>Regula- tion No.</i>	<i>Basic Documents to be checked/ Verified</i>
79.	Whether, the listed entity has ensured timely payment of interest or dividend of non-convertible redeemable preference shares or redemption payment?	61(1)	Debits made in the bank the account created for this purpose.
80.	Whether, the listed entity has not forfeited unclaimed interest/dividend and such unclaimed interest/dividend has been transferred to the 'Investor Education and Protection Fund' (IEPF) set up as per Section 125 of the Companies Act, 2013?	61(2)	Credits made to the IEPF.
81.	Whether, the listed entity has maintained a functional website containing the information as required under sub-regulation (1) about the listed entity and a press release has been issued with respect to the events specified in this sub-regulation?	62 (1)&(2)	• Website of the listed entity. • Copy of the press release.

(b) SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018

The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (ICDR Regulations) were notified with the objective to bring more clarity to the provisions of the rescinded SEBI Disclosure and Investor Protection (DIP) Guidelines by removing the redundant provisions and amending certain provisions in order to cope up with the dynamics of Capital Market.

SEBI in order to align the provisions of ICDR Regulations with the Companies Act, 2013 and allied regulations, had come up with a consultation paper on May 04, 2018 detailing the suggestive changes under various fund raising options.

In this direction, SEBI constituted the Issue of Capital & Disclosure Requirements Committee (“ICDR Committee”) under the Chairmanship of Shri Prithvi Haldea in June, 2017, to review the ICDR Regulations. The ICDR Committee suggested certain policy changes. In continuation to the same, SEBI *vide* its notification dated 11 September, 2018 issued SEBI (ICDR) Regulations, 2018. SEBI (ICDR) Regulations, 2018 lay down the guidelines relating to conditions for various kinds of issues including public and rights issue.

This checklist covers the compliances required to be made by a unlisted or listed entity with respect to various fund raising methods e.g. IPO/ FPO/ Rights Issue/ Preferential Issue/ Bonus Issue/ Qualified Institutions Placement etc.

IPO/FPO

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No./ Section</i>	<i>Basic Documents to be checked/ Verified</i>
1.	Whether the listed entity has appointed a merchant banker and other intermediaries?	23 & 121	Copy of agreements of the appointments.
2.	Whether the listed entity has filed the draft offer document and offer document with SEBI/Stock Exchanges /RoC?	25 & 123	Website of SEBI/ Stock Exchange/ RoC.
3.	Whether the utilization of proceeds for General Corporate Purposes have not been exceeded twenty five per cent of the amounts generated by the issuer?	7(2) & 104 (2)	Draft offer document & monitoring agency report/ utilization certificate.
4.	Whether the listed entity has submitted the following documents with the SEBI? - a statement certifying that all changes, suggestions and observations made by the SEBI have been incorporated in the offer document; - due diligence certificate as per Form C of Schedule V; - a copy of the resolution passed by the Board of Directors of the issuer for allotting specified securities to promoter(s) towards amount received against promoters' contribution, before opening of the issue; - a certificate from a statutory auditor, before opening of the	25(9) & 123 (9)	Copy of all the documents / Certificates (due diligence certificate, auditor's certificate etc.) submitted with SEBI.

Sl. No	Compliance Requirement	Regulation No./ Section	Basic Documents to be checked/ Verified
	issue, certifying that promoters' contribution has been received in accordance with these regulations; a due diligence certificate as per Form D of Schedule V, in the event the issuer has made a disclosure of any material development by issuing a public notice pursuant to para 4 of Schedule IX.		
5.	Whether the listed entity has made arrangements for the use of proceeds of the issue to be monitored by a public financial institution or by a scheduled commercial bank named in the offer document as bankers of the issuer, if the issue size, excluding the size of offer for sale by selling shareholders, exceeds one hundred crore rupees?	41(1) & 137(1)	Stock Exchange website/ listed entity's website.
6.	Whether, the listed entity has made a pre-issue advertisement in one English national daily newspaper with wide circulation, Hindi national daily newspaper with wide circulation and one regional language newspaper with wide circulation at the place where the registered office of the issuer is situated containing the disclosures as specified in Part A of Schedule X?	43 (1) & 139 (1)	Copy of the newspaper where advertisement has been published.
7.	Whether all application moneys received has been refunded to the applicants in case of non-receipt	45 (2) & 141 (2)	Refund orders/ certificate of posting.

Sl. No	Compliance Requirement	Regulation No./ Section	Basic Documents to be checked/ Verified
	of minimum subscription of ninety per cent of the offer within fifteen days of the closure of the issue?		
8.	Whether the listed entity has done the allotment, credit of dematerialized securities and refund or unblocking of application monies, as may be applicable, electronically?	50(2) & 146 (2)	• Demat a/c & Bank a/c, statements etc. • Return of allotment (PAS-3).
9.	Whether a post-issue advertisement has been made in accordance with the details specified in the regulation?	51(1) & 147 (1)	Copy of newspaper where the advertisement has been published.
10.	Whether the listed entity has submitted a final post-issue report as specified in Part A of Schedule XVII, along with a due diligence certificate as per the format specified in Form F of Schedule V, 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.	55 & 151	• Correspondence made with the Stock Exchange. • Copies of the report. • Certificates submitted to the Stock Exchange.

IPO/FPO of Convertible Debt Instruments and warrants

11.	Whether the listed entity has not been in default of payment of interest or repayment of principal amount in respect of debt instruments issued by it to the public, if any, for a period of more than six months?	Proviso to Reg. 9 & Proviso to Reg. 106	Undertaking from the listed entity has to be taken in this regard.
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Sl. No	Compliance Requirement	Regulation No./ Section	Basic Documents to be checked/ Verified
12.	Whether credit rating has been obtained from atleast one Credit Rating Agency?	10 (1) (a) & 107 (1) (a)	Details of credit rating received from the Credit Rating Agency and offer document.
13.	Whether the company has appointed one or more debenture trustee registered?	10 (1) (b) & 107 (1) (b)	Appointment letter/ agreements.
14.	Whether the Debenture Redemption Reserve has been created as per sub-rule (7) of Rule 18 of Companies (Share Capital and Debentures) Rules, 2014?	10 (1) (c) & 107 (1) (c)	Standalone Balance Sheets.
15.	Whether in case of secured debentures, the listed entity has created charge on the security?	10 (1) (d) & 107 (1) (d)	Form CHG.9 for verifying the same.
16.	In case of FPO, where the value of non-convertible portion of partly convertible debt instruments exceeds fifty lakhs the same may be rolled over without change in interest rate only when 75% of holders of convertible debentures have approved the rollover through a resolution by postal ballot?	108 (a)	MGT. 14 for special resolution.
17.	Whether debt securities have been issued for financing or providing loan to or acquisition of shares of any person who is part of the promoter group or group companies?	12 & 110	Balance Sheet.

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No./ Section</i>	<i>Basic Documents to be checked/ Verified</i>
18.	Whether warrants have been issued along with IPO/FPO, the tenure of such warrants has not been exceeded a period of eighteen months from the date of allotment in such IPO/FPO?	13 (a) & 111 (a)	Offer document and allotment letters.

Post-listing exit opportunity for dissenting shareholders

19.	Whether there has any change in objects or variation in the terms of contract related to objects referred to in the offer document and if so, the promoters, or shareholders in control of an issuer, has provided an exit offer to dissenting shareholders as provided for in the Companies Act, 2013 and as per conditions and manner provided in Schedule XX to these regulations?	59 & 157	Declaration from the listed entity in this regard to be taken.
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Rights Issue

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No./ Section</i>	<i>Basic Documents to be checked/ Verified</i>
20.	Whether the aggregate value of the specified securities issued on rights basis exceeds ten crore rupees or more?	60	Draft Letter of offer filed with SEBI/ Website of SEBI.
21.	Whether the listed entity has passed a resolution by the Board of Directors approving the proposed Rights Issue?	Section 62 (1) of the Companies Act, 2013	Certified true copy of Board Resolution.
22.	Whether the listed entity has passed any shareholder resolution, in case of the following: - increase in the authorised share capital required) (special resolution) - for issue of securities under proposed rights issue.	Section 62 (1) of the Companies Act, 2013	Copy of Form No. SH 7 and MGT14 filed with RoC.
23.	Whether there is any restraining, prohibiting or debarring order against the listed entity or any of its promoters by SEBI or any other regulatory authority? Whether any of the promoters or directors is a wilful defaulter or it is in default of payment of interest or repayment of principal amount in respect of debt securities issued by the listed entity to the public, if any, for a period of more than six months?	61	Information on debarment on SEBI's website, CIBIL database and declaration to be obtained from company in this regard.

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No./ Section</i>	<i>Basic Documents to be checked/ Verified</i>
24.	Whether the listed entity has obtained in-principle approval for listing of its specified securities issued on rights basis?	62(1)(a)	Copy of application letter submitted to the Stock Exchange.
25.	Whether the listed entity has ensured that not more than 25 per cent of the total amount raised by issuance of specified securities is being allocated for general corporate purposes, as mentioned in the objects of the issue in the draft letter of offer and letter of offer filed with SEBI?	62(2)	Letter of offer / Monitoring agency report.
26.	Whether the listed entity has announced a record date for the purpose of determining the shareholders eligible to apply for specified securities in the proposed rights issue?	68(1)	- Website of the Stock Exchange. - Notice where record date has been announced.
27.	Whether, the listed entity has informed to the Stock Exchange, 2 working days prior to the Board Meeting where the proposal of rights issue is to be considered?	SEBI Listing Regulations 2015	Communications made to the Stock Exchange.
28.	Whether the listed entity has appointed a compliance officer, lead manager and other intermediaries?	69	Appointment letter, Agreements and intimation made to the Stock Exchange in this regard.
29.	Whether the lead manager has submitted the following to the SEBI along with the draft letter of offer?	71(2)	Certified copy of Certificates submitted in this behalf.

Sl. No	Compliance Requirement	Regulation No./ Section	Basic Documents to be checked/ Verified
	• A certificate, confirming that an agreement has been entered into between the issuer and the lead manager(s); • A due diligence certificate; • A due diligence certificate from the debenture trustee in case of an issue of convertible debt instruments; • A certificate confirming compliance of the conditions.		
30.	Whether the listed entity has appointed any monitoring agency, if yes, whether the monitoring agency has submitted its report to the company that atleast 95 % of the proceeds of the issue, excluding the proceeds raised for general corporate purposes have been utilized on a quarterly basis?	82	Utilization Report.
31.	Whether a pre-issue advertisement for the rights issue has been made in accordance with the details specified in the regulation, at least three days before the opening of the issue in at least one English national daily newspaper with wide circulation, one Hindi national daily newspaper with wide circulation and one regional language daily newspaper with wide circulation at the place where registered office of the issuer is situated?	84(1)	Relevant copy of newspaper where the advertisements are published.

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No./ Section</i>	<i>Basic Documents to be checked/ Verified</i>
32.	Whether the listed entity has ensured that the specified securities has been allotted and/ or application monies has been refunded or unblocked?	91(1) 293	• Return of allotment (Form No. PAS-3) • Refund order.
33.	Whether a post-issue advertisement for the rights issue has been made in accordance with the details specified in the regulation?	92(1)	Relevant copy of newspaper where the advertisement are published.
34.	Whether the listed entity has submitted the initial-post issue report and final post issue- report?	96	Copy of Initial and Final post issue reports submitted.

Bonus Issue

Sl.No	Compliance Requirement	Regulation No./ Section	Basic Documents to be checked/ Verified
35.	For the issue of bonus shares following points must be taken into consideration as per section 63 of Companies Act, 2013: - Whether the issue has been authorised by its articles? - Whether the listed entity has been authorised to make provisions in the AOA by passing resolution in the general meeting for capitalization of profits? - Whether it has defaulted in payment of interest or principal in respect of fixed deposits or debt securities issued by it? - Whether it has defaulted in respect of the payment of statutory dues of the employees, such as, contribution to Provident Fund, gratuity and bonus? - Whether any partly paid-up shares, if any outstanding on the date of allotment, are made fully paid-up? - Whether the listed entity which has not withdrawn the bonus issue, once announced by the Board of Directors recommending the same? - Whether the bonus shares has not been issued in lieu of dividend? - Whether any of its promoters or directors is not a fugitive economic offender?	293	- Certified true copy of resolution. - Articles of Association - Declaration from the listed entity regarding the default/fugitive offender/Balance Sheet. - Declaration from the Board of Directors that bonus shares has not been issued in lieu of dividend.

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No./ Section</i>	<i>Basic Documents to be checked/ Verified</i>
36.	Whether the bonus has been issued only out of free reserves? If the bonus is issued out of reserves built out of the genuine profits or securities premium collected in cash only and reserves created by revaluation of fixed assets has not been capitalised for the purpose of issuing bonus shares?	294 (3)	Balance sheet
37.	Whether the listed entity has filed FCGPR form with the Reserve Bank of India in respect of allotment of bonus shares to foreign entities/shareholders within 30 days of issue of shares.	RBI Guide- lines	A certified true copy of the acknowledgement of the FCGPR Form.

Preferential Issue

<i>Sl.No</i>	<i>Compliance Requirement</i>	<i>Regulation No./ Section</i>	<i>Basic Documents to be checked/ Verified</i>
38.	Whether special resolution has been passed by the shareholders of the listed entity for making the preferential issue?	160(b)	MGT 14 filed with the RoC.
39.	Whether the additional disclosures as specified in the regulations were also made in the explanatory statement of the notice for the general meeting proposed for passing special resolution?	163(1)	Copy of the explanatory statement/ statutory auditor's certificate.
40.	Whether the consideration for specified securities, if paid in cash, has been received from respective allottee's bank account?	169(4)	Bank details/ Statutory auditor's certificate.
41.	Whether the preferential allotment attracts the provisions of the SEBI (SAST) Regulations, 2011 with regard to the obligation to make an open offer?	170(3)	• Disclosures made to the Stock Exchange. • Shareholding pattern.
42.	Whether all the allotment has been made in dematerialized form?	170(4)	Demat account with the depository/ depository participant.

Qualified Institutions Placement (QIP)

<i>Sl.No</i>	<i>Compliance Requirement</i>	<i>Regulation No./ Section</i>	<i>Basic Documents to be checked/ Verified</i>
43.	Whether a special resolution approving the QIP has been passed specifying that the allotment would be made through QIP?	172(1)(a)	MGT-14 filed with RoC.
44.	Whether the promoters and members of promoter group has made an offer for sale through a QIP to achieve the minimum public shareholding?	173	Announcements made to the Stock Exchange and public.
45.	Whether the lead manager has submitted a due diligence certificate along with a copy of preliminary placement document to the Stock Exchange stating that securities are being issued under the QIP and the listed entity has complied with the requirement of the SEBI (ICDR) Regulations, 2018 ?	174(3)	Copy of due diligence certificate submitted to the Stock Exchange.
46.	Whether the QIP has been made on the basis of placement document and the same has been uploaded on the website of the Stock Exchange along with the disclaimer required?	175(4)	Website of the Stock Exchange.
47.	Whether allotment has been made in accordance with the requirements as specified under regulation 179 of the SEBI (ICDR) Regulations, 2018?	179	Return of Allotment (PAS-3).

(c) SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

One of the most popular modes of corporate expansion is by the acquisition of an existing company. However, when the company being acquired is a listed company, then along with the promoters' stake, there are interest of other stakeholders, such as, public shareholders, financial institutions, foreign stakeholders, etc. It is essential that all these shareholders also get fair dealing in case of an acquisition.

To address all such concerns, SEBI has framed the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997 which have been evolved significantly over the years and notified as the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 ('SAST Regulations').

The SAST Regulations prescribe a systematic framework for acquisition of stake in listed companies. By these laws, the regulatory system ensures that the interests of the shareholders of listed companies are not compromised in case of an acquisition or takeover. They also aim to protect the interests of minority shareholders, which is a fundamental attribute of corporate governance principle.

This checklist covers various event based/continual disclosures to be made in case of takeover.

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
1.	Whether the acquirer has made a public announcement of an open offer for acquiring shares of a target company in terms of regulations 3, 4 or 5?	3, 4 & 5	• Public Announcement. • Share Capital in the balance sheet. • Change in shareholding pattern.
2.	Whether the acquirer has made an announcement, in case an offer made is not successful, in respect of such failure in all the newspapers in which the detailed public statement was made that it has complied with all the applicable provisions of these regulations?	5A(2)	Copies of the newspaper.
3.	Whether in the event of failure of the delisting offer made, the open offer obligations has been fulfilled by the acquirer in the manner as provided under Regulation 5A(3)?	5A(3)	Related letter of offer filed with SEBI.
4.	Whether, an acquirer, who together with persons acting in concert with him, has held shares or voting rights in a target company entitling them to exercise twenty-five per cent or more but less than the maximum permissible non-public shareholding, has been entitled to voluntarily make a public announcement of an open offer for	6(1)	Public announcement made in this regard.

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
	acquiring shares in accordance with these regulations, subject to their aggregate shareholding after completion of the open offer not exceeding the maximum permissible non-public shareholding ?		
5.	Whether any voluntary offer has been made by the acquirer or any person acting in concert with him who has acquired shares of the target company in the preceding fifty-two weeks without attracting the obligation to make a public announcement of an open offer?	6(2)	Share capital built up and shareholding pattern.
6.	Whether any person who is a wilful defaulter has not made a public announcement of an open offer for acquiring shares or enter into any transaction that would attract the obligation to make a public announcement of an open offer for acquiring shares under these regulations?	6A	Declaration from the listed entity in this regard to be taken.
7.	Any person who is a fugitive economic offender has not made a public announcement of an open offer or make a competing offer for acquiring shares or enter into any transaction, either directly or indirectly, for acquiring any shares or voting rights or control of a target company?	6B	Declaration from the listed entity in this regard to be taken.
8.	Whether open offer for acquiring shares to be made by the acquirer and persons acting in concert	7(1)	Public announcement and open offer document.

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
	with him under Regulation 3 and Regulation 4 has been made for at least twenty-six per cent of total shares of the target company, as of tenth working day from the closure of the tendering period?		
9.	Whether the acquirer has been brought down the non-public shareholding to the level specified and within the time permitted under Securities Contract (Regulation) Rules, 1957, in the event the shares accepted in the open offer were such that the shareholding of the acquirer taken together with persons acting in concert with him pursuant to completion of the open offer results in their shareholding exceeding the maximum permissible non-public shareholding ?	7(3)	Open offer procedure followed in this behalf and relevant documents.
10.	Whether the requirements with respect to offer price has been complied with?	8	Related document and open offer procedure.
11.	Whether the SEBI has granted exemption from the obligation to make an open offer for acquiring shares under these regulations?	11(1)	Application made by the listed entity and the letter received from SEBI granting the exemption.
12.	Whether merchant banker has been appointed?	12	Agreement appointment letter of merchant banker.

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
13.	Whether the public announcement has been made on the date of agreeing to acquire shares or voting rights in, or control over the target company?	13(1)	Public announcement made in this regard.
14.	Whether, the acquirer has published detailed public statement not later than five workings days of the public announcement?	14(3)	Copies of newspaper editions.
15.	Whether the acquirer has after publication of detailed public statement in the newspaper, sent a copy of the same to – (i) The SEBI; (ii) All the stock exchanges where the shares of the target company are listed; (iii) The target company at its registered office?	14(4)	- Website of Stock Exchange. - Correspondence made to SEBI/ Stock Exchange/ Target Company.
16.	Whether the public announcement has contained all the information as required under these regulation?	15	Public announcement made in this regard.
17.	Whether draft offer letter has been filed with SEBI?	16	Correspondence regarding filing made in this behalf to SEBI.
18.	Whether escrow account has been opened?	17	- Bank Account. - Details of Escrow A/c.

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
19.	Whether the letter of offer have been dispatched to shareholders whose names appear on the register of members of the target company as on the identified date?	18(2)	• Proof of dispatch. • In case of dispatch through electronic mode, e-mails sent to the shareholders. • In case of bounce e-mails, proof of dispatch of physical delivery.
20.	In case, conditional offer has been made, whether the open offer made pursuant to an agreement, has contained a condition to the effect that in the event the desired level of acceptance of the open offer has not been received the acquirer would not acquire any shares under the open offer and the agreement attracting the obligation to make the open offer would stand rescinded?	19	Certified copy of such agreement.
21.	Where any competing offer is made, such offer has been made within fifteen working days of the date of the detailed public statement made by the acquirer?	20(1)	Copies of the announcement in the newspapers.
22.	Whether, the acquirer has completed the acquisition of shares or voting rights in, or control over, the target company, whether by way of subscription to shares or purchase of shares	22(1)	Public announcement and procedure regarding open offer.

<i>Sl.No</i>	<i>Compliance Requirement</i>	<i>Regula- tion No.</i>	<i>Basic Documents to be checked/ Verified</i>
	attracting the obligation to make an open offer for acquiring shares, after the expiry of the offer period?		
23.	Whether any offer has been withdrawn and if so, an announcement has been made in the same newspapers in which the public announcement of the open offer was published, providing the grounds and reasons for withdrawal of such open offer?	23 (2) (a)	Copies of the announcement made in the newspapers.
24.	Whether the acquirer has informed in writing to- (i) SEBI; (ii) all the Stock Exchanges on which the shares of the target company are listed, and the Stock Exchanges has forthwith disseminated such information to the public; and; (iii) the target company at its registered office. regarding such withdrawal?	23(2) (b)	• Websites of Stock Exchanges. • Correspondences made to Stock Exchange / SEBI/ Target Company in this regard.
25.	Whether any person representing the acquirer or any person acting in concert with him has been appointed as director on the Board of Directors of the target company, whether as an additional director or in a casual vacancy?	24(1)	Board Composition / Board Resolution.

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
26.	Whether the acquirer has ensured that firm financial arrangements have been made for fulfilling the payment obligations under the open offer and that the acquirer is able to implement the open offer, subject to any statutory approvals for the open offer that might be necessary?	25(1)	Declaration to be taken from the acquirer in this regard.
27.	Whether the disclosures of acquisition and disposal has been made to the Stock Exchanges and the target company at its registered office as per compliance with regulation 29?	29	• The submitted copy of the formats prescribed for various disclosures/Reports. • Website of the Stock Exchange.
28.	Whether every person together with persons acting in concert with him and the promoter of every target company has made continual disclosures as per the requirement of Regulation 30?	30	• The submitted copy of the formats prescribed for various disclosures/Reports. • Website of the Stock Exchange.
29.	Whether, the promoter of every target company or by persons acting in concert with him, have disclosed about the shares encumbered by him?	31	• The submitted copy of the formats prescribed for various disclosures/Reports. • Website of the Stock Exchange.

(d) SEBI (Buy-Back of Securities) Regulations, 2018

Buy-back of securities is a corporate financial strategy which involves capital restructuring and is resorted to by companies to achieve the varied objectives of increasing earnings per share, averting hostile takeovers, improving returns to stakeholders and realigning the capital structure.

The concept of buy-back was introduced by the Companies (Amendment) Act, 1999 by the insertion of Sections 77A, 77AA and 77B and was governed by the now repealed SEBI (Buy-Back of Securities) Regulations, 1998. Under the Companies Act, 2013 buy-back is governed by sections 68, 69, 70 and Rule 17 of Companies (Share Capital and Debentures) Rules, 2014 and listed companies are governed by the SEBI (Buy-Back of Securities) Regulations, 2018.

In order to revive the capital markets and protect companies from hostile takeover bids, earlier SEBI had notified the SEBI (Buy-Back of Securities) Regulations, 1998, now, repealed by the new Regulations “SEBI (Buy-Back of Securities) Regulations, 2018” to simplify the language, removing redundant provisions and inconsistencies, updating the references to the Companies Act, 2013/ other new SEBI Regulations, and incorporating the relevant circulars, FAQs, informal guidance in the regulations.

This checklist covers the various compliances with respect to various methods of buy-back used by the listed entity for such buy back and the procedural compliances made in this regard.

Sl. No	Compliance Requirement	Regulation No.	Basic Documents to be checked/ Verified
1.	Is the buy-back within the maximum limit? Maximum Limit= 25 % or less of the aggregate paid-up capital and free reserves.	4(i)	- Board Resolution or Special Resolution. - Consolidated balance sheet of the parent listed entity.
2.	Is the debt equity ratio maintained as 2:1 post buy back? Whether higher debt equity ratio is maintained post buy back as per the Companies Act 2013?	4(ii)	Consolidated balance sheet of the parent listed entity.
3.	Whether the shares are fully paid-up?	4(iii)	- Balance sheet of the listed entity. - Shareholding pattern.
4.	Which method of buyback is adopted?	4(iv)	- Board Resolution or Special Resolution, as applicable. - Public announcement made in this behalf.
5.	Is the listed entity having buy-back through negotiated deals/ on or off the Stock Exchange or through spot transactions/ private arrangements?	4(vi)	Actual proceedings of buy- back and the letter of offer.

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
6.	Is there any default on the part of listed entity in repaying deposits accepted, interest payments thereon, redemption of debentures or preference shares or payment of dividend to any shareholder, or repayment of any term loan or interest payable thereon to any financial institution or banking company?	4(x)(c)	• Declaration/undertaking to be taken from the Company Secretary of the listed entity regarding the same. • Disclosures made to the Stock Exchange.
7.	Is the buy-back authorised by the listed entity's articles?	5(i)(a)	Articles of Association.
8.	Whether the special resolution has been passed in the general meeting authorizing the buy-back?	5(i)(b)	Agenda and minutes of the general meeting authorizing the buy-back.
9.	Whether a Board Resolution has been passed for buy back which is less than 10 % of total paid-up equity capital and free reserves of the listed entity?	Proviso to 5(i)(b)	Agenda and minutes of the Board Meeting.
10.	Whether the listed entity has filed with Registrar of Companies and SEBI, a return containing such particulars relating to buy-back of securities within 30 days of completion of buy-back and with the ROC in Form No. SH.11 as per Companies (Share Capital and Debentures) Rules, 2014?	5(iii)	MCA Website.

Sl. No	Compliance Requirement	Regulation No.	Basic Documents to be checked/ Verified
11.	Has the explanatory statement been annexed to the notice of the general meeting pursuant to section 102 of the Companies Act, 2013 and contains the disclosures as specified in Section 68 (3) of the Companies Act, 2013 and Schedule I of these regulations?	5(iv)	• Certified copy of special resolution. • Notice and explanatory statement.
12.	Whether the copy of the resolution passed at the general meeting under Section 68 of the Companies Act, 2013 has been filed with SEBI and the Stock Exchanges where the shares or other specified securities of the listed entity are listed, within seven days from the date of passing of the resolution?	5(v)	• Disclosures regarding the same on the website of the Stock Exchanges. • Correspondence made to the SEBI and Stock Exchange.
13.	Whether the Board Resolution specify the maximum price at which the buy- back has been made? (In case of buy-back from open market either through book building or through stock exchange)	5(vi)	Board Resolution.
14.	Whether copy of the Board Resolution authorizing the buy-back has been filed with the SEBI and Stock Exchanges within two working days of the date of the passing of the resolution?	5(vii)	• Website of the Stock Exchange. • Correspondence made to the SEBI and Stock Exchange.
15.	Whether any dealing in shares or specified securities has been made on the basis of unpublished price sensitive information relating to the buy-back?	5(viii)	A declaration to be taken from the Company Secretary of the listed entity that the trading

Sl. No	Compliance Requirement	Regulation No.	Basic Documents to be checked/ Verified
			window was closed during that period and no trading has taken place by the insiders.
16.	Whether a public announcement has been made in case of buy-back through tender offer?	7(i)	Copies of the National and Regional Daily containing the public announcement.
17.	Whether a draft letter of offer has been filed with SEBI ?	8(i) (a)	Website of SEBI.
18.	Whether Form No. SH -9 has been filed with SEBI for the declaration of Insolvency ?	8(i) (b)	Copy of the acknowledgement letter received from SEBI.
19.	Whether the comments or changes specified by SEBI has been carried out in the letter of offer before dispatching it to the shareholders?	8(ii)	Confirmation filed by the listed entity to SEBI.
20.	Whether record date has been announced for determining the entitlements and names of eligible security holders?	9(i)	• P u b l i c announcement made in this behalf. • Website of the listed entity.
21.	Whether letter of offer has been dispatched to the securities holders?	9(ii)	• Proof of dispatch. • In case of letter of offer dispatched through electronic mode, e-mails.

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
			• In case of bounced e-mail, proof of dispatch of physical copies.
22.	Whether any unregistered shareholder has tendered shares for buy-back by submitting the duly executed transfer deed for transfer of shares in his name along with the offer form and relevant documents?	9(iv)	Any such requests made by unregistered shareholders.
23.	Whether the date of opening of the offer is not later than five days from the date of dispatch of the letter of offer?	9(v)	Letter of offer and proof of dispatch of the letter of offer.
24.	Whether the offer for buy-back was open for a period of ten working days?	9(vi)	Letter of offer.
25.	Whether the listed entity has facilitated tendering of shares by the shareholders and settlement of the same through the Stock Exchange mechanism?	9(vii)	Actual proceedings of the buyback and related correspondence made in this behalf.
26.	Whether the listed entity has accepted shares or other specified securities from the securities holders on the basis of their entitlement as on record date?	9(viii)	Actual proceedings of buyback and related correspondence made in this behalf.
27.	Whether the listed entity has deposited amount in an escrow account to be determined in the following manner?	9 (xi) (a) and (b)	Details of escrow account.

Sl.No	Compliance Requirement	Regulation No.	Basic Documents to be checked/ Verified
	(i) If the consideration payable does not exceeds Rupees 100 crores – 25% of the consideration payable.		
	(ii) If the consideration payable exceeds Rupees 100 crores – 25% of Rs. 100 crores and 10% thereafter.		
28.	Whether the listed entity has verified offers received and made payment of consideration to securities holders whose offer has been accepted and returned remaining shares or securities to others within 7 working days of the closure of the offer?	10(ii)	• Details of payments made through the bank account. • Details of DP account for transfer of securities made.
29.	Whether the listed entity has extinguished and physically destroyed the securities certificates so bought back within 15 days of the date of acceptance of shares and 7 days of expiry of buy-back period?	11(i)	Statutory Auditor's certificate.
30.	Whether dematerialised shares or other specified securities has been destroyed in the manner specified under the SEBI (Depositories and Participants) Regulations, 2018 and the bye laws, the circulars and guidelines framed thereunder?	11(ii)	Statutory Auditor's certificate.
31.	Whether the listed entity has furnished a certificate to the SEBI certifying the compliance as specified in regulation 11 (i)?	11(iii)	Certificate issued by the listed entity.

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
32.	Whether the listed entity has furnished the particulars of the securities certificates extinguished and destroyed to the stock exchanges where it is listed within 7 days of extinguishment of the certificates?	11(iv)	Letter of declaration to be taken from the listed entity.
33.	Whether the listed entity has maintained a register of the shares so bought, consideration paid for the shares bought back, date of cancelling of shares, date of extinguishing and destroying the shares and particulars as prescribed in sub section (9) of section 68 of the Companies Act, 2013?	11(v)	Register maintained as per SH-10.
34.	Whether atleast 50 % of the amount earmarked for buy back has been utilized for buying-back shares or other specified securities?	15	Board resolution or special resolution.
35.	Whether the buy-back has been made on the Stock Exchanges having nationwide trading terminals? Whether the buy-back has been made from the promoters or persons in control of the system?	16(i) (ii) & (iii)	Due Diligence Certificate given by the Merchant Banker.
36.	Whether the buy-back has been made only through the order matching mechanism except "all or none" order matching system.	16(iv)	Due Diligence Certificate given by the Merchant Banker.
37.	Whether the disclosures, filing requirements and timelines for	17(i)	Buy back procedure followed in this regard.

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
	public announcement with respect to buy- back through the Stock Exchange has been complied with by the listed entity?		
38.	Whether the listed entity appeared itself as a purchaser on the electronic screen when the order was placed?	17(ii)	Buy back document and procedure followed in this regard.
39.	Whether the buy-back offer has been opened for not later than seven working days from the date of public announcement and shall close within six months from the date of opening of the offer?	18(i)	The website of the Stock Exchange regarding the disclosures.
40.	Whether the listed entity has submitted the information regarding the shares or specified securities bought- back, to the Stock Exchange on a daily basis?	18(ii)	The website of the listed entity.
41.	In case the listed entity has bought back its shares or specified securities in physical form in the open market through Stock Exchange, whether the following procedure has been followed: (i) Whether a separate window has been created in this regard? (ii) Whether the listed entity has bought back the shares or specified securities through the separate window only after verification of the	19	Actual buy-back procedure and related document.

<i>Sl.No</i>	<i>Compliance Requirement</i>	<i>Regula- tion No.</i>	<i>Basic Documents to be checked/ Verified</i>
	identity proof and address proof the broker?		
	(iii) Whether the price at which shares or other specified securities are bought back has been the volume weighted average price of the shares or other specified securities bought back, other than in physical form, during the calendar week in which such share or other specified securities were received by the broker?		
42.	Whether the listed entity has created an escrow account?	20(i)	Verification from the bank account.
43.	Whether the listed entity has non – compliant with Regulation 15 and whether consequent upon non-compliance, SEBI has directed the merchant banker to forfeit the escrow account?	20(viii)	Correspondence/ directions received from the SEBI to the listed entity in this regard.
44.	Whether in the event of forfeiture of escrow account, the amount forfeited has been deposited with the Investor Protection and Education Fund of SEBI?	20(ix)	• Bank account statement of the listed entity where the credit has been made. • Declaration to be taken from the Company Secretary.
45.	Whether the listed entity has complied with regulation 11 with respect to the extinguishment of certificates for open market buy back through Stock Exchange?	21(i)	The procedure of extinguishment.

<i>Sl.No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
46.	Whether the listed entity has extinguished and physically destroyed the securities certificates so bought back within 15 days of the date of acceptance of shares and 7 days of expiry of buy-back period?	21(iii)	Statutory Auditor's Certificate.
47.	Whether the listed entity has passed board resolution or special resolution in case of buy back through book building?	22(i)	Copy of resolution passed as per regulation 5.
48.	Whether the listed entity has appointed a merchant banker and made a public announcement as per regulation 7? Whether the disclosures has been made the public announcement in accordance with schedule II to these regulations? Whether the public announcement has been made at least seven days prior to the commencement of buy back?	22(ii)	Copies of newspaper where the public announcement has been made and disclosures made to the Stock Exchanges.
49.	Whether the deposit in escrow account has been made before the date of public announcement and the same has been determined with reference to the maximum price as specified in the public announcement?	22(iii)	Details of credits to escrow account.
50.	Whether a copy of public announcement has been filed with SEBI within two days of such announcement along with the fees?	22(iv)	Correspondence and filing made to the SEBI.

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
51.	Whether the public announcement contains the detailed methodology of the book building process, the manner of acceptance, the format of acceptance to be sent by the securities holders pursuant to the public announcement and the details of bidding centres?	22(v)	Public announcement.
52.	Whether the book building has been made through an electronically linked transparent facility?	22(vi)	Actual buy back procedure followed in this regard and related documents.
53.	Whether the number of bidding centres are not less than thirty and there has been atleast one electronically linked computer terminal at all bidding centres?	22(vii)	Actual buy back procedure followed in this regard and related documents.
54.	Whether the offer of buy-back has been opened for a period of atleast fifteen days and not more than thirty days?	22(viii)	Related documents.
55.	Whether the merchant banker and the listed entity has determined the buy-back price based on the acceptance received?	22(ix)	Actual buy back procedure followed in this regard and related documents.
56.	Whether the final buy back price, which shall be the highest price accepted has been paid to all the holders whose shares or specified securities have been accepted for buy-back?	22(x)	Actual buy back procedure followed in this regard and related documents.

<i>Sl.No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
57.	Whether the listed entity has complied with regulation 10 pertaining to verification of acceptances and opening of special account and payment of consideration?	22(xi)	Actual buy back procedure followed in this regard and related documents.
58.	Whether the listed entity has ensured that the letter of offer, the public announcement of the offer or any other advertisement, circular, brochure, publicity material contains true, factual and material information and does not contain any misleading information and must state that the directors of the listed entity accept the responsibility for the information contained in such documents?	24(i)(a)	Advertisements/ Brochures, web-sites where disclosures has been made, public announcement and declaration given by the directors.
59.	Whether the listed entity has issued any shares or other specified securities including by way of bonus till the date of expiry of buy back period for the offer made under these regulations?	24(i)(b)	Balance sheet.
60.	Whether the listed entity has paid the consideration only by way of cash?	24(i)(c)	Listed entity's debits towards the bank.
61.	Whether the promoter/ promoter(s) or his/their associates has dealt in the shares or other specified securities of the listed entity in the stock exchange or off-market, including inter-se transfer of shares among the promoters during the period from	24(i)(e)	• Declaration from the promoters to be taken in this regard. • The demat statement of promoters.

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
	the date of passing of board resolution or the special resolution, as the case may be, till the closing of the offer?		
62.	Whether the listed entity has raised any further capital for a period of one year from the expiry of buy-back period, except in discharge of its subsisting obligations?	24 (i) (f)	Balance sheet of the relevant financial year.
63.	Whether any public announcement of buy-back has been made during the pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Companies Act?	24(ii)	• Disclosures made to the Stock Exchange. • P u b l i c announcement made in this regard.
64.	Whether the listed entity has bought-back the locked-in shares or other specified securities and non-transferable shares or other specified securities till the pendency of the lock-in or till the shares or other specified securities become transferable?	24(v)	Demat statement of the listed entity.
65.	Whether the listed entity has issued a public advertisement in a national daily as per the disclosures required under regulation 24 (vi) within two days of expiry of buy back?	24(vi)	Copies of the national daily where advertisement has been published.
66.	Whether the merchant banker has ensured to comply with the obligations as specified under regulation 25?	25	Due diligence certificate and declaration given by the Merchant Banker in this regard.

(e) SEBI (Share Based Employee Benefits) Regulations, 2014

SEBI, in the year 1999, had framed the “SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999” (hereinafter “existing guidelines”) which provides for the stock based incentive schemes to employees. On October 28, 2014, SEBI had notified the SEBI (Share Based Employee Benefits) Regulations, 2014 (“SBEB Regulations”) repealing the existing guidelines. These Regulations apply to ESOS, ESPS, General Employee Benefit Schemes (GEBS), Retirement Benefit Schemes (RBS) and Stock appreciation rights (SAR) Schemes of the listed companies.

The SEBI (SBEB) Regulations shall not apply to shares issued to employees in compliance with the provisions pertaining to preferential allotment as specified in the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

Further, the provisions pertaining to preferential allotment as specified in SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 shall not be applicable in case of a company issuing new shares in pursuance and compliance of these regulations.

This checklist covers the various compliances to be checked w.r.t various employee benefit schemes as prescribed under these regulations.

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
1.	Whether the listed entity has used the direct route or trust route for issue of Employees Share Based Benefit Schemes, including ESOPs?	3(1)	• Board Resolution. • Policy framed by the listed entity.
2.	Whether a director, KMP, promoter, holding/ subsidiary/ associate companies, any relative of Director/KMP/ promoter, any person beneficially hold ten per cent or more of the paid up capital of the listed entity is appointed as a trustee?	3(4)	• Shareholding pattern of such person(s). • Declaration from the trustee of the listed entity in this behalf.
3.	Whether the trustee of the trust has voted or not in respect of the shares held by such trust, so as to avoid any misuse arising out of exercising such voting rights?	3(5)	Declaration from the trustee in this regard.
4.	Whether approval of shareholders has been obtained, authorizing the trust to implement the scheme and undertake secondary acquisition for the purposes of the scheme(s)?	3(6)	Minutes of general meeting and shareholder resolution.
5.	Whether the trust deals only in delivery based transactions and not in derivatives?	3(7)	Declaration from the listed entity/ trustee.
6.	Whether the shareholding of the trust has been shown as non-promoter and non-public shareholding to the Stock Exchange?	3(9)	Shareholding pattern submitted to the Stock Exchange.

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
7.	Whether secondary acquisition in a financial year by a trust does not exceed two per cent of the paid up capital as at the end of the previous financial year?	3(10)	Share capital and shareholding pattern of the trust.
8.	Whether the trust has not become a mechanism for trading in shares and hence has not sold the shares in the secondary market except in certain circumstances as stipulated under regulation 15?	3(15)	Declaration from the trust that provisions of SEBI (Share Based Employee Benefits) Regulations, 2014 and relevant provisions of Companies Act, 2013 have been duly complied with.
9.	Whether the listed entity has constituted compensation committee for administration of the scheme?	5	Board Resolution.
10.	Whether the scheme has been approved by the shareholders through special resolution?	6(1)	Special resolution or Form No. MGT-14.
11.	Whether the listed entity has complied with prescribed norms for varying of terms of the schemes?	7	Declaration from the listed entity in case of any variation in the terms of scheme.
12.	Whether any new issue of shares is made under any scheme? If yes, whether the shares so issued have been listed immediately in any recognised Stock Exchange where the	10	Application made to the Stock Exchange(s) and correspondence notice made to the Stock Exchange(s) in this regard.

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regula- tion No.</i>	<i>Basic Documents to be checked/ Verified</i>
	existing shares are listed, subject to the following conditions: - Scheme is in compliance with these regulations; - A statement as specified by SEBI in this regard, has been filed and the company has obtained an in-principle approval from the Stock Exchanges. Whether the information required in the statement to be filed with Stock Exchange(s) is as per the circular CIR/CFD/ POLICY CELL/2/2015 dated 16.06.2015. - When an exercise is made, whether the listed entity has notified the concerned Stock Exchange as per the statement as specified by SEBI in this regard.		
13.	In case the listed entity has passed a resolution for the scheme(s) under these regulations, whether the Board of Directors, at each Annual General Meeting have placed before the shareholders a certificate from the auditors of the listed entity that the scheme(s) has been implemented in accordance with these regulations and in accordance with the resolution of the listed entity in the general meeting?	13	Minutes of general meeting and auditor's certificate.

<i>Sl.No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
14.	In addition to the information that a listed entity is required to disclose in relation to employee benefits under the Companies Act, 2013, whether the Board of Directors of such a listed company have disclosed the details of the scheme(s) being implemented, as specified by SEBI in this regard?	14	Website of the listed entity. (Refer SEBI Circular CIR/CFD/ POLICY CELL/2/2015 dated 16.06.2015)
15.	Compliance with respect to specific scheme(s) : Whether the listed entity has complied with the requirements as specified by SEBI with respect to the following schemes: i. Employee Stock Option Scheme ii. Employee Stock Purchase Scheme iii. Stock Appreciation Rights Scheme(SARS) iv. General Employee Benefits Scheme(GEBS) v. Retirement Benefit Scheme (RBS).	Chapter III	An undertaking from the listed entity that it has duly complied with all the requirements as specified by SEBI in this regard.

(f) SEBI (Issue and Listing of Debt Securities) Regulations, 2008

In order to facilitate development of a vibrant primary market for Debt Securities, the SEBI notified the Regulations for Issue and Listing of Debt Securities on June 19, 2008, to provide for a simplified regulatory framework for issuance and listing of non-convertible debt securities (excluding bonds issued by Governments) issued by any company, public sector undertaking or statutory corporations. These Regulations do not apply to issue and listing of securitized debt instruments and security receipts for which separate regulatory regime is in place. These regulations provide for a rationalized disclosure requirements and a reduction of certain onerous obligations attached to an issue of debt securities.

This checklist covers the compliances to be checked w.r.t. filing / intimations and disclosures made to various Regulatory Authorities and stakeholders.

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
1.	Whether there is any restraining, prohibiting or debarring order against the listed entity or any of its promoters by SEBI or any other regulatory authority? Whether any of the promoters or directors is a wilful defaulter or it is in default of payment of interest or repayment of principal amount in respect of debt securities issued by the company to the public, if any, for a period of more than six months?	4 (1)	Information on debarment available on SEBI's website, CIBIL database and declaration made by the listed entity in this behalf.
2.	Whether the listed entity has obtained in-principle approval from the recognized Stock Exchange to list its Non-Convertible Debt Securities (NCD) ?	4(2)(b)	Application letter made to the Stock Exchange and letter received from the Stock Exchange in this behalf.
3.	Whether credit rating has been obtained and same has been disclosed in the offer document?	4(2)(c)	Details of all the credit rating received including the unaccepted one from the Credit Rating Agency and Offer Document.
4.	Whether the listed entity has entered into agreement with a depository?	4(2)(d)	Copy of agreement with the depository.
5.	Whether the listed entity has appointed one or more merchant bankers in case of a public issue and debenture trustee registered with SEBI?	4(3) & (4)	Appointment letters.

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
6.	Whether the listed entity has issued securities for providing loan or acquisition of shares of any person who is part of the same group or who is under the same management?	4(5)	Declaration from the listed entity to be taken in this regard and balance sheet.
7.	Whether the Offer document contains all the material disclosures?	5	Due diligence certificate submitted by the Merchant Banker.
8.	Whether the draft offer document is filed with the designated Stock Exchange, SEBI and hosted on the designated Stock Exchange website? Whether the final offer document has been filled with the Registrar of Companies, SEBI and designated stock exchange?	6 (1), (2), (4), (5) & (6)	• Correspondence made with the designated Stock Exchange, • Website of designated Stock Exchange • Website of SEBI.
9.	Whether the lead merchant banker, prior to filing of the offer document with the Registrar of Companies has, furnished to SEBI a due diligence certificate as per Schedule II of the regulations?	6(7) and Schedule II	Due diligence certificate submitted by Merchant Banker.
10.	Whether the debenture trustee has furnished to SEBI a due diligence certificate as per Schedule III of the regulations?	6 (8) and Schedule III	Due diligence certificate submitted by the debenture trustee.
11.	Whether the listed entity has made an advertisement in a national daily with wide circulation, on or before the issue opening date?	8(1)	Copies of the newspapers.

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
12.	Whether the listed entity has disclosed the minimum subscription as decided by it in the offer document?	12(1)	Offer document.
13.	Whether the Debenture Trust Deed has been executed in Form No. SH.12 as per Companies (Share Capital and Debentures) Rules, 2014, by the listed entity in favour of the debenture trustees within three months of closure of the issue of offer?	15(1)	Form No. SH. 12.
14.	Whether the Debenture Redemption Reserve has been created as per sub-rule (7) of Rule 18 of Companies (Share Capital and Debentures) Rules, 2014?	16(1)	Standalone Balance Sheet.
15.	Whether any default has been made in payment of interest on debt securities or redemption thereof or in creation of security as per the terms of the issue of debt securities, any distribution of dividend?	16(2)	In case of default, approval given by debenture trustee.
16.	Whether the listed entity has created a charge or security, if any, in respect of secured debt securities has been disclosed in the offer document along with its implication? Form No. CHG-9 has to be filed with the ROC regarding creation of charge on the debt securities.	17(1)	Offer document and Form No. CHG-9.

Sl.No	Compliance Requirement	Regulation No.	Basic Documents to be checked/ Verified
17.	Whether issue proceeds were kept in an escrow account until the documents for creation of security as stated in the offer document, are executed?	17(3)	Escrow account opened in this regard.
18.	Whether the debt securities have been redeemed in terms of the offer document?	18(1)	Certificate from debenture trustee.
19.	In case of roll-over of debt securities, whether it has been approved by the holder of the debt securities by a passing a special resolution? Whether prior notice of 21 days was given containing the disclosure regarding the credit rating so obtained?	18(2) & (3)	• Special Resolution. • Form No. MGT-14 filed with ROC. • Notice.

Issuance of Non-Convertible Debentures (NCD) on private placement basis under SEBI (Issue and Listing of Debt Securities) Regulations, 2008

“Private placement” means any offer or invitation to subscribe or issue of securities to a select group of persons by a company (other than by way of public offer) through private placement offer cum application and which satisfies the conditions specified in section 42 of the Companies Act, 2013.

A company issuing NCDs on private placement basis has to comply with Section 42 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and RBI guidelines issued for NBFCs, in addition to SEBI (Issue and Listing of Debt Securities) Regulations, 2008.

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
20.	Whether the listed entity has complied with the provisions of Companies Act, 2013 and Rules made there under and other applicable laws?	20 (1)(a)	• Minutes of Board Meeting. • Notice convening general meeting with relevant explanatory statement. • Bank Statement. • Certified copy of the special resolution. • Register of members/ securities holders • Valuation report, Board resolution authorising person to sign certificate. • Proof of dispatch of PAS-4. • MGT-14 with respect to the Board resolution passed for issuance of NCDs on private placement basis. • PAS -3 for allotment of debentures.

<i>Sl.No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
			• PAS – 4 with respect to private placement offer letter. • PAS-5 with respect to complete record of placement offer.
21.	In case of consolidation and re-issuance of debt securities, whether the conditions specified in regulation 20A has been complied with?	20A	Declaration from the Compliance officer of the listed entity.
22.	Whether the listed entity has made disclosures in a disclosure document as specified as schedule I of these regulations accompanied by the latest Annual Report of the company and the same has been disclosed on the website of the Stock Exchange where such securities are proposed to be listed?	21	Website of the Stock Exchange, Annual report and disclosure documents.
23.	Whether the listed entity has filed a Shelf Disclosure Document containing disclosures as provided in Schedule I of these regulations?	21A	Website of MCA/ SEBI / Stock Exchange.
24.	Whether the listed entity making public issues of debt securities or seeking listing of debt securities issued on private placement basis has complied with the conditions	23(1)	Declaration from the Compliance Officer in this regard.

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
	of listing specified in the respective listing agreement for debt securities?		
25.	Whether all information and reports on debt securities including compliance reports filed by the listed entity and the debenture trustees regarding the debt securities has been disseminated to the investors and the general public by placing them on their websites?	23(4)	Websites of the Stock Exchange.
26.	Whether the Debenture trustee has disclosed the information to the investors and the general public by issuing a press release?	23(5)	Press release.
27.	Whether the information as required under Regulation 23 (5) has been placed on the websites, if any of the debenture trustee, the listed entity and the Stock Exchange?	23(6)	Websites.

(g) SEBI (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013

Non-Convertible Redeemable Preference Share (NCRPs) means a preference share which is redeemable in accordance with the provisions of the Companies Act, 2013 and does not include a preference share which is convertible into or exchangeable with equity shares of the issuer at a later date, with or without the option of the holder.

SEBI notified the SEBI (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013 on June 12, 2013. NCRPS Regulations allowing NCRPS as another instrument for public fund raising for Indian companies. These regulations provide a framework for issue and listing of Non-Convertible Redeemable Preference Shares by a public company and issue and listing of Perpetual Non-Cumulative Preference Shares (PNCPS) and Perpetual Debt Instruments (PDIs) issued by banks.

SEBI notified these regulations to oversee the public sale of preference shares which allows hybrid securities, to be listed on exchanges.

This checklist covers the compliances to be checked w.r.t. filing/ intimations and disclosures made to various Regulatory Authorities and stakeholders.

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
1.	Whether any issue and listing of Perpetual Non-Cumulative Preference Shares and Perpetual Debt Instrument, has been done by banks on private placement basis?	3(3)	Certification by the Compliance Officer of the Bank in this regard.
2.	Whether there is any restraining, prohibiting or debarment order against the listed entity or any of its promoters by SEBI or any other regulatory authority? Whether any of the promoters or directors is a wilful defaulter or it is in default of payment of interest or repayment of principal amount in respect of debt securities issued by the listed entity to the public, if any, for a period of more than six months?	4(1)	Information on debarment available on SEBI's website, CIBIL database and declaration made by the listed entity in this behalf.
3.	Whether the listed entity has obtained in-principle approval from the recognized Stock Exchange to list its Non-Convertible Redeemable Preference Shares?	4(2)(b)	Application letter made to the Stock Exchange and letter received from the Stock Exchange in this behalf.
4.	Whether credit rating has been obtained and same has been disclosed in the offer document? Whether the rating which has been assigned is less than AA-?	4(2)(c) & (f)	Details of all the credit rating received including the unaccepted one from the Credit Rating Agency and offer document.

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
5.	Whether the listed entity has entered into an agreement with a depository?	4(2)(d)	Copy of agreement with the depository.
6.	Whether a capital redemption reserve account has been created in accordance with the provisions of the Companies Act, 2013?	4(3)	Standalone Balance Sheet of the listed entity.
7.	Whether the listed entity has issued securities for providing loan or acquisition of shares of any person who is part of the same group or who is under the same management?	4(4)	Declaration from the listed entity to be taken in this regard and balance sheet.
8.	Whether the listed entity has appointed one or more merchant bankers in case of a public issue registered with SEBI?	4(5)	Appointment letter.
9.	Whether the Offer document contains all the material disclosures?	5	Due diligence certificate submitted by the Merchant Banker.
10.	Whether the draft offer document is filed with the designated Stock Exchange and SEBI and the same has been hosted on the designated Stock Exchange website? Whether the final offer document has been filled with the Registrar of Companies, SEBI and designated Stock Exchange?	6(1), (2) & (6)	- Website of the Stock Exchange. - Correspondence made to the Stock Exchange/ SEBI/RoC.
11.	Whether the lead Merchant Banker, prior to filing of the offer document with the Registrar of	6(7) and	Due diligence certificate submitted by Merchant Banker.

Sl.No	Compliance Requirement	Regulation No.	Basic Documents to be checked/ Verified
	Companies has, furnished to SEBI a due diligence certificate as per Schedule II of the regulations?	Schedule II	
12.	Whether the listed entity has disclosed the minimum subscription as decided by it in the offer document?	13(1)	Offer document.
13.	Whether in the event of non-receipt of minimum subscription, all the application moneys received in the public issue are refunded to the applicants	13(2)	Refund orders sent in this regard.
14.	Whether the listed entity has complied with the conditions of listing of NCRPs as specified in the Listing Agreement?	16(2)	Certification/undertaking to be taken from the Compliance Officer of the listed entity.

Private Placement of NCRPs under the SEBI (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013

15.	Whether the listed entities has complied with the provisions of Companies Act, 2013 and ruled made there under and other applicable laws?	17(1) (a)	• Minutes of Board Meeting. • Notice convening general meeting with relevant explanatory statement. • Bank Statement. • Certified copy of the special resolution. • Register of members/securities holders • Valuation report. • Board resolution
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Note: A listed entity issuing NCRPS on private placement basis has to comply with Section 42 and Rule 14 of the companies (Prospectus and Allotment of securities) Rules, 2014 and RBI guidelines issued for NBFCs, in addition to SEBI (Issue and Listing of Non-convertible Redeemable Preference Shares) Regulations, 2013.

Sl. No	Compliance Requirement	Regulation No.	Basic Documents to be checked/ Verified
			authorising person to sign certificate. • Proof of dispatch of PAS-4. • MGT-14 with respect to the Board resolution passed for issuance of NCRPs on private placement basis. • PAS - 3 for allotment of debentures. • PAS - 4 with respect to private placement offer letter. • PAS-5 with respect to complete record of placement offer.
16.	Whether the listed entity making public issues of NCRPs or seeking listing of NCRPs issued on private placement basis shall comply with the conditions of listing specified in the respective listing agreement for debt securities?	20(1)	Declaration from the Compliance Officer regarding compliance of the conditions of respective clauses.
17.	Whether all information and reports on NCRPs including compliance reports filed by the issuers has been disseminated to the investors and the general public by placing them on their websites?	20(4)	Websites of the Stock Exchange.

(h) SEBI (Prohibition of Insider Trading) Regulations, 2015

SEBI (Prohibition of Insider Trading) Regulations, 2015 has been made effective from May 15, 2015 based on the Sodhi Committee Recommendations. This regulation casts several compliance obligations on insiders including Key Managerial Personnel, Company Secretary, etc.

The obligations relate to making of certain disclosures, dealing with unpublished price sensitive information, formulation and disclosure of trading plans, complying with code of fair disclosure, etc. These regulations have also brought several controls in establishing the act of insider trading, e.g., the onus of establishing is on connected persons that they were not in possession of unpublished price sensitive information.

This checklist covers compliances to be checked w.r.t trading restrictions, disclosure requirements, Policies required to be formulated under these regulation etc.

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
1.	Whether the Board of Directors of the listed entity has a policy for determination of “legitimate purposes” as a part of “Codes of Fair Disclosure and Conduct” as required to be formulated under regulation 8?	3 [2(A)]	Policy of the listed entity on code of practices and procedures for fair disclosure of price sensitive information. Resolution of the listed entity’s board approving such policy.
2.	Whether the Board of Directors has made the parties to execute agreements to contract confidentiality and non-disclosure obligations on the part of such parties?	3(4)	The clauses of agreement executed with the parties.
3.	Whether a structured digital database is maintained containing the names of such persons or entities as with whom information is shared under this regulation along with PAN or any other identifier authorized by law where PAN is not available?	3(5)	Details of database maintained by the listed entity.
4.	Whether an insider has formulated a trading plan and presented it to the compliance officer for approval and public disclosure pursuant to which trades may be carried on his behalf in accordance with such plan?	5(1)	- Trading plan submitted by the insider to the listed entity. - Subsequent public disclosure there-

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
			on to the Stock Exchanges.
5.	Whether the disclosures made by any person includes those relating to trading by such person's immediate relatives and any other person for whom such person takes trading decisions?	6(2)	• Related disclosures received by the listed entity. • Declaration from the listed entity that there are no other disclosures received.
6.	Whether initial disclosures are received from insiders of the listed entity?	7(1)	• Persons in the list of insiders. • Disclosures made by such insiders. • Declaration from the listed entity that there are no other disclosures received.
7.	Whether continual disclosures have been received?	7(2)	• Disclosures made by promoters / designated persons and related disclosures made to stock exchange by the listed entity. • Declaration from the company that there are no other disclosures received.

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
8.	Whether the Board of Directors of the listed entity formulated a code of practices and procedures for fair disclosure of unpublished price sensitive information as per Schedule A to these regulations?	8(1)	- Board Resolution approving the Code of practices and procedures. - Disclosure made on website of listed entity.
9.	Whether the Code is hosted on the website of the listed entity and a copy of the same has been sent to the Stock Exchange?	8(2)	- Code available on the website of the listed entity. - Correspondence made to the Stock Exchange.
10.	Whether the listed entity has formulated a code of conduct to regulate, monitor and report trading by insiders as per Schedule B of these regulations?	9(1)	- Code of conduct approved by the Board of Directors of the listed entity. - Disclosure of the same on the website.
11.	Whether every listed entity has identified and designated a compliance officer to administer the code of conduct and other requirements under these regulations?	9(3)	- Resolution of the Board of Directors of the listed entity. - Intimation to the Stock Exchanges.

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
12.	Whether the Board of Directors in consultation with Compliance Officer has specified designated persons to be covered by the code of conduct?	9(4)	- Resolution of the Board of Directors the listed entity. - Emails / communication sent to such persons by the Compliance Officer.
13.	Whether adequate and effective system of internal controls have been put in place with the requirements given in these regulations?	9A(1)	- Internal control procedure laid down by the board of the listed entity. - Declaration to be taken from the Compliance Officer in this regard.
14.	Whether Audit Committee of the listed entity has reviewed compliance with the provisions of these regulations at least once in a financial year and also that internal control are adequate and are operating effectively?	9A(4)	- Minutes of Audit Committee. - Measures, if any suggested by the Audit Committee and corrective action in such cases.
15.	Whether the listed entity has framed a whistle bower policy to enable employees to report instances of leak of unpublished price sensitive information?	9A(6)	- Contents of the Whistle bower policy formulated by the listed entity. - Instances of reporting, if any.

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regula- tion No.</i>	<i>Basic Documents to be checked/ Verified</i>
			• Declaration from the listed entity that there are no other instances reported.
16.	Whether any enquiry has been initiated by a listed entity in case of leak of unpublished price sensitive information?	9A(7)	• Record of Enquiry proceedings by the listed entity. • Declaration from the listed entity that there are no other instances.

(i) SEBI (Delisting of Equity Shares) Regulations, 2009

SEBI (Delisting of Equity Shares) Regulations, 2009 ('the delisting regulations') gives an option to the listed company to either get itself delisted from all the recognised Stock Exchanges where it is listed through reverse book building or only from some of the Stock Exchanges and continue to be listed on the exchanges having nationwide terminals through a simplified process. Additionally, these regulations provide simplified procedure for delisting of shares of smaller companies.

These Regulations are not applicable on securities listed without making public issue on the institutional trading platform of recognised stock exchanges.

In order to provide a statutory backing for the delisting framework, the Government has also notified delisting rules under Rule 21 of Securities Contract (Regulations) Rules, 1957 (the SCR Rules) dealing primarily with substantive aspect on delisting.

This checklist covers the compliances to be checked w.r.t various procedural aspects involved / documentation / announcement made during such delisting.

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
1.	Whether the listed entity has applied for delisting and pursuant to this, the recognized Stock Exchange has permitted the delisting of equity shares of the listed entity as per the regulation 4(1)?	4(1)	Annual report for last three years of the listed entity.
2.	Whether any promoter or promoter group has proposed delisting of equity shares of a listed entity, if, any entity belonging to the promoter or promoter group has sold the equity shares of the company during a period of six months prior to the date of the Board Meeting in which delisting proposal was approved?	4(1A)	• Demat Account statement of the promoter. • Declaration from the promoter, if any
3.	Whether the procedure for delisting has been followed as per these regulations where no exit opportunity is required?	7	• Board resolution for the proposed delisting. • Public notice for the proposed delisting. • Application made to the recognized Stock Exchange. • Website of the Stock Exchange. • Annual report of the listed entity.

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
4.	Whether procedure for delisting has been followed as per these regulations where exit opportunity is required?	8(1)	• Board resolution for the proposed delisting. • Approval of shareholders in ordinary resolution. • Application made to recognized stock exchange. • Website of the Stock Exchange. • Annual report of the listed entity.
5.	Whether Merchant Banker has been appointed?	8(1A)	Letter of appointment of Merchant banker.
6.	Whether the Board of Directors of the listed entity have certified the following while approving the proposal for delisting – • Compliance with the applicable provisions of securities laws. • Compliance with sub-regulation (5) of regulation 4 • Delisting is in the interest of shareholders.	8(1B)	• Board resolution and details given by the Board of Directors. • Any related certifications given by the Board.

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
7.	Whether Merchant Banker has submitted due diligence report to the Board of Directors of the listed entity certifying provisions under regulation 8 (1E).	8(1E)	Due Diligence Report submitted by Merchant Banker.
8.	Whether an application seeking in principle approval under clause (c) of sub-regulation (1) of regulation 8 has been accompanied by an audit report (reconciliation of share capital audit) as required?	8(2)	Application and audit report submitted to the Stock Exchange.
9.	Whether the acquirers or promoters of the listed entity has made a public announcement of the delisting in one English, Hindi and regional language newspaper?	10(1)	- Copies of the newspapers. - Website of the listed entity.
10.	Whether any acquirer or promoter of the listed entity has appointed a Merchant Banker who is an associate of that acquirer or promoter?	10(6)	Certification of the Merchant Banker regarding the same.
11.	Whether any entity belonging to the acquirer, promoter and promoter group of the listed entity has sold the shares of the listed entity during the period from the date of the Board Meeting in which the delisting proposal was approved till the completion of the delisting process?	10(7)	- Records from the account of DP/Depositories. - Details of all the shares transaction of such persons during last six months.
12.	Whether the promoter has opened an escrow account before making the public announcement	11(1)	Details of bank account of the listed entity.

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
	and deposited the total estimated amount of consideration?		
13.	Whether the promoter has dispatched the letter of offer to the public shareholders of equity shares within 2 days from the date of public announcement?	12(1)	Letter of offer and proof of dispatch of the same.
14.	Whether the letter of offer contains all the disclosures made in the public announcement?	12(3)	Public announcement made and letter of offer sent.
15.	Whether the letter of offer is accompanied with a bidding form for use of public shareholders and a form for tendering shares?	12(4)	Letter of Offer.
16.	Whether the date of opening of the offer was not later than 7 working days from the date of public announcement?	13(1)	• Date of opening of the offer. • P u b l i c announcement made regarding the same.
17.	Whether all public shareholders of the equity shares which are sought to be delisted have been entitled to participate in the book building process?	14(1)	Notices / public announcement.
18.	Whether the offer price has been determined under Schedule II through book building after the fixation of floor price under sub-regulation (2) of regulation 15?	15	Calculations made in this behalf or certification given by the Merchant Banker regarding the same.

<i>Sl. No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
19.	Whether the rights of promoter to make counter offer or reject the offer has been exercised?	16	Undertaking to be taken from the compliance officer of the listed entity.
20.	Whether the minimum number of equity shares has been acquired as per the regulation?	17	- Record date and board resolution. - Proof of delivery of letter of offers.
21.	Whether the public announcement in newspapers has been made within 5 working days of the closure of the offer?	18	Copies of newspaper.
22.	If the offer fails, whether the equity shares pledged or deposited has been returned within 10 working days from the end of bidding period and escrow account has been closed?	19	- Details from the DP account. - Refund orders made.
23.	Whether the promoter has immediately transferred the entire amount due and payable as consideration upon success of the offer?	20	Random credits made from the escrow account.
24.	Whether any remaining public shareholder has tendered his shares to the promoter group upto a period of one year from the date of delisting and in such case whether the promoter has accepted the shares tendered at the same final price at which the earlier acceptance of shares were made?	21	- Delisting procedure. - Escrow account.

<i>Sl.No</i>	<i>Compliance Requirement</i>	<i>Regulation No.</i>	<i>Basic Documents to be checked/ Verified</i>
25.	Whether a recognized Stock Exchange has compulsorily ordered delisting of any equity shares of any listed entity on any ground as prescribed in the rules made under Section 21 A of the SCRA, 1956?	22	The order of the Stock Exchange and details of notice published by the Stock Exchange.
26.	In case of compulsory delisting, whether the Stock Exchange has appointed an independent valuer or valuers who is entrusted to determine the fair value of the delisted equity shares?	23(2)	• Valuation report. • Actual delisting process based on the events & relevant documents.

Reporting Format of Annual Secretarial Compliance Report

***(On the letter head of the Practicing Company Secretary)
Secretarial compliance report of [] [Name of the listed
entity] for the year ended _____***

I/We..... have examined:

- (a) all the documents and records made available to us and explanation provided by [] [Name of the listed entity] (“the listed entity”),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended [] (“Review Period”) in respect of compliance with the provisions of :

- (a) the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i)(other regulations as applicable)

and circulars/ guidelines issued thereunder;

(Note: The aforesaid list of Regulations is only illustrative. The list of all SEBI Regulations, as may be relevant and applicable to the listed entity for the review period, shall be added.)

and based on the above examination, I/We hereby report that, during the Review Period:

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr.No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary

- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my/our examination of those records.
- (c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through

various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of action taken e.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.

(d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended... (The years are to be mentioned)	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity

(Note:

1. Provide the list of all the observations in the report for the previous year along with the actions taken by the listed entity on those observations.
2. Add the list of all observations in the reports pertaining to the periods prior to the previous year in case the entity has not taken sufficient steps to address the concerns raised/ observations.

E.g. In the report for the year ended 31st Mar, 2021, the PCS shall provide a list of:

- all the observations in the report for the year ended 31st Mar, 2020 along with the actions taken by the listed entity on those observations.
- the observations in the reports pertaining to the year ended 31st Mar, 2020 and earlier, in case the entity has not taken sufficient steps to address the concerns raised/ observations in those reports.)

Place:

Signature:

Date:

Name of the Practicing Company Secretary
ACS/ FCS No.:
C P No.:

Annexures



CIRCULAR

CFD/DIL3/CIR/2018/2

January 03, 2018

To

All Listed Entities who have listed their equity and convertibles

All the Recognized Stock Exchanges

Dear Sir/Madam,

Sub: Schemes of Arrangement by Listed Entities and (ii) Relaxation under Sub-rule (7) of Rule 19 of the Securities Contracts (Regulation) Rules, 1957

1. SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 has laid down the framework for Schemes of Arrangement by Listed Entities and relaxation under Rule 19 (7) of the Securities Contracts (Regulation) Rules, 1957.
2. SEBI has received representations suggesting improvements to the existing regulatory framework governing scheme of arrangement. Considering the above and in order to expedite the processing of draft schemes and to prevent misuse of schemes to bypass regulatory requirements, it has been decided to make certain amendments to the Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, as provided in the Annexure.
3. The Stock Exchanges are advised to bring the provisions of this circular to the notice of Listed Entities and also to disseminate the same on their websites.
4. This circular is issued under Section 11 of the SEBI Act, 1992 and Regulations 11, 37 and 94 read with Regulation 101(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Rule 19(7) of Securities Contracts (Regulation) Rules, 1957.

5. This circular is available on SEBI website at www.sebi.gov.in under the category “Legal / Circulars”.

Yours faithfully,

Narendra Rawat
Deputy General Manager
narendrar@sebi.gov.in

Annexure

Amendments to Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ('the circular')**1. Amendment to Para 7**

Para 7 of the circular shall be replaced with the following:

"7. The Provisions of this circular shall not apply to schemes which solely provides for merger of a wholly owned subsidiary or its division with the parent company. However, such draft schemes shall be filed with the Stock Exchanges for the purpose of disclosures and the Stock Exchanges shall disseminate the scheme documents on their websites."

2. Insertion of Para (I)(A)(2A)

Following Para shall be inserted after Para (I)(A)(2) of Annexure I to the circular:

"The valuation report referred to in Para 2(b) above and the Fairness opinion referred to in Para 2(d) above shall be provided by Independent Chartered Accountant and Independent SEBI Registered Merchant Banker respectively. The chartered accountant and the merchant banker referred herein shall not be treated as independent in case of existence of any material conflict of interest among themselves or with the company, including that of common directorships or partnerships."

3. Amendment to Para(I)(A)(3)(b)

Para (I)(A)(3)(b) of Annexure I of the circular shall be replaced with the following:

"The percentage of shareholding of pre-scheme public shareholders of the listed entity and the Qualified Institutional Buyers (QIBs) of the unlisted entity, in the post scheme shareholding pattern of the "merged" company on a fully diluted basis shall not be less than 25%."

4. Deletion of Para (II)

Para (II) of Annexure I to the circular shall stand repealed.

5. Amendment to Para(III)(A)(3)

Para (III)(A)(3) of Annexure I of the circular shall be replaced with the following:

"3. In case of a scheme involving merger of a listed company or its

division into an unlisted entity, the entire pre-scheme share capital of the unlisted issuer seeking listing shall be locked in as follows:

- (a) Shares held by Promoters up to the extent of twenty percent of the post-merger paid-up capital of the unlisted issuer, shall be locked-in for a period of three years from the date of listing of the shares of the unlisted issuer;
- (b) The remaining shares shall be locked-in for a period of one year from the date of listing of the shares of the unlisted issuer.
- (c) No additional lock-in shall be applicable if the post scheme shareholding pattern of the unlisted entity is exactly similar to the shareholding pattern of the listed entity.

Provided that the shares locked-in under this clause may be pledged with any scheduled commercial bank or public financial institution as collateral security for loan granted by such bank or institution if pledge of shares is one of the terms of sanction of the loan;

Provided further that the shares locked-in under this clause may be transferred 'inter-se' among promoters in accordance with the conditions specified under Regulation 40 of ICDR Regulations.

Provided further that shares presently under lock-in as per the provisions of earlier circulars shall also be governed by the provisions of this clause"

6. Deletion of Para (III)(A)(4)

Para (III)(A)(4) of Annexure I to the circular shall stand repealed.

7. Amendment to Para(III)(A)(5)

Para (III)(A)(5) of Annexure I of the circular shall be replaced with the following:

"5. It shall be ensured that steps for listing of specified securities are completed and trading in securities commences within sixty days of receipt of the order of the Hon'ble High Court/ NCLT, simultaneously on all the Stock Exchanges where the equity shares of the listed entity (or transferor entity) are/were listed. Before commencement of trading, the transferee entity shall give an advertisement in one English and one Hindi newspaper with nationwide circulation and one regional newspaper with wide circulation at the place where the registered office of the transferee entity is situated, giving following details:"



भारतीय प्रतिभूति और विनियम बोर्ड
Securities and Exchange Board of India

CIRCULAR

CFD/DIL3/CIR/2017/105

September 21, 2017

To

All Listed Entities who have listed their equity and convertibles

All the Recognized Stock Exchanges

Dear Sir/Madam,

Sub: Schemes of Arrangement by Listed Entities and (ii) Relaxation under Sub-rule (7) of Rule 19 of the Securities Contracts (Regulation) Rules, 1957

1. SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 lays down the framework for Schemes of Arrangement by Listed Entities and relaxation under Rule 19 (7) of the Securities Contracts (Regulation) Rules, 1957 (SCRR).
2. Clause III (A)(1)(b) of Annexure I of the aforesaid circular provides that at least twenty five per cent of the post-scheme paid up share capital of the transferee entity seeking relaxation from Rule 19(2)(b) of SCRR shall comprise of shares allotted to the public shareholders in the transferor entity.
3. In order to align the requirements specified for listing under schemes of arrangement under Clause III (A)(1)(b) of Annexure I of the Circular with those specified under Rule 19(2)(b) of SCRR, it has been decided to amend Clause III (A)(1)(b) of Annexure I of Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 as under:

“(b) At least twenty five per cent of the post-scheme paid up share capital of the transferee entity shall comprise of shares allotted to the public shareholders in the transferor entity;

Provided that an entity which does not comply with the above requirement may satisfy the following conditions:

- i. The entity has a valuation in excess of Rs.1600 crore as per the valuation report;

- ii. *The value of post-scheme shareholding of public shareholders of the listed entity in the transferee entity is not less than Rs.400 crore;*
 - iii. *At least ten percent of the post-scheme paid up share capital of the transferee entity comprises of shares allotted to the public shareholders of the transferor entity; and,*
 - iv. *The entity shall increase the public shareholding to at least 25% within a period of one year from the date of listing of its securities and an undertaking to this effect is incorporated in the scheme”*
4. The Stock Exchanges are advised to bring the provisions of this circular to the notice of Listed Entities and also to disseminate the same on their websites.
5. This circular is issued under Section 11 of the SEBI Act, 1992 and Regulations 11, 37 and 94 read with Regulation 101(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Rule 19(7) of Securities Contracts (Regulation) Rules, 1957.
6. This circular is available on SEBI website at www.sebi.gov.in under the category “Legal / Circulars”.

Yours faithfully,

Narendra Rawat
Deputy General Manager
narendrar@sebi.gov.in



भारतीय प्रतिभूति और विनियम बोर्ड
Securities and Exchange Board of India

CIRCULAR

CFD/DIL3/CIR/2017/21

March 10, 2017

All Listed Entities who have listed their equity and convertibles

All the Recognized Stock Exchanges

Dear Sir/Madam,

Sub: Schemes of Arrangement by Listed Entities and (ii) Relaxation under Sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957

1. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “listing regulations”) place obligations with respect to Scheme of Arrangement on Listed Entities and Stock Exchange(s) in Regulation 11, 37 and 94.
2. Regulation 11 of the listing regulations, inter-alia, provides that any scheme of arrangement / amalgamation / merger / reconstruction / reduction of capital etc. to be presented to any Court or Tribunal does not in any way violate, override or limit the provisions of securities laws or requirements of the Stock Exchanges. Regulation 37 of listing regulations provides that the listed entities desirous of undertaking scheme of arrangement or involved in a scheme of arrangement shall file the draft scheme with Stock Exchange(s) for obtaining Observation Letter or No-objection Letter, before filing such scheme with any court or Tribunal. Regulation 94 of the listing regulations requires Stock Exchanges to forward such draft schemes to SEBI in the manner prescribed by SEBI.
3. SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015 lays down the detailed requirements to be complied with by listed entities while undertaking schemes of arrangements.
4. Sub-rule (7) of rule 19 of the Securities Contracts (Regulation)

Rules, 1957 (hereinafter referred to as “the SCRR”) provides that Securities and Exchange Board of India (SEBI) may, at its own discretion or on the recommendation of a recognised Stock Exchange, waive or relax the strict enforcement of any or all of the requirements with respect to listing prescribed by these rules.

5. In consultation with the stock exchanges and market participants, it has been decided to revise the regulatory framework for such schemes of arrangement. Certain regulations as mentioned in this circular have been amended. The details of revised requirements to be complied with are given in **Annexure-I**.
6. **Applicability** : The schemes filed after the date of this circular shall be governed under this circular. The Schemes already submitted to the stock exchange in terms of SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015, shall be governed by the requirements specified in that circular.
7. The Provisions of this circular shall not apply to schemes which solely provides for merger of a wholly owned subsidiary with the parent company. However, such draft schemes shall be filed with the Stock Exchanges for the purpose of disclosures and the Stock Exchanges shall disseminate the scheme documents on their websites. An amendment to listing regulations in this regard has already been notified on February 15, 2017.
8. The issuance of shares under schemes in case of allotment of shares only to a select group of shareholders or shareholders of unlisted companies pursuant to such schemes shall follow the pricing provisions of Chapter VII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (hereinafter referred to as “the ICDR Regulations”). Relevant amendment to ICDR Regulations in this regard has been notified on February 15, 2017.
9. The listed entity shall pay a fee to SEBI at the rate of 0.1% of the paid-up share capital of the listed / transferee / resulting company, whichever is higher, post sanction of the proposed scheme, subject to a cap of Rs.5,00,000. Relevant amendment to Listing Regulations in this regard has been notified on March 06, 2017.

10. The amended regulations have become effective from the date of notification of the amendments.
11. The Stock Exchanges are advised to bring the provisions of this circular to the notice of Listed Entities and also to disseminate the same on their website.
12. This circular is issued under Section 11 of the SEBI Act, 1992 and regulations 11, 37 and 94 read with regulation 101(2) of listing regulations and Rule 19(7) of SCRR, 1957.
13. This circular is available on SEBI website at www.sebi.gov.in under the categories “Legal Framework/Circulars”.

Yours faithfully,

Narendra Rawat
Deputy General Manager
narendrar@sebi.gov.in

*Annexure I***I. Requirements before the Scheme of arrangement is submitted for sanction by the National Company Law Tribunal (NCLT)****A. Requirements to be fulfilled by Listed Entity****1. Designated Stock Exchange**

- (a) Listed entities shall choose one of the Stock Exchanges having nationwide trading terminals as the designated Stock Exchange for the purpose of coordinating with SEBI.
- (b) For companies listed solely on regional Stock Exchange, wherein exemption from Rule 19(2) (b) of Securities Contracts (Regulation) Rules, 1957 is sought, the listed entity shall obtain in-principle approval for listing of equity shares on any Stock Exchange having nationwide trading terminals. In cases, wherein exemption from Rule 19(2)(b) of Securities Contracts (Regulation) Rules, 1957 is not sought by the listed entity, one of the Stock Exchanges having nationwide trading terminals shall provide a platform for dissemination of information of such Schemes and other documents required under this circular. For such purpose, Stock Exchanges having nationwide trading terminals may charge reasonable fees from such companies.

2. Submission of Documents

The Listed entity shall submit the following documents to the Stock Exchanges:-

- (a) Draft Scheme of arrangement/ amalgamation/ merger/ reconstruction/ reduction of capital, etc.;
- (b) Valuation Report as per Para (4) below;
- (c) Report from the Audit Committee recommending the Draft Scheme, taking into consideration, inter alia, the Valuation Report. The Valuation Report is required to be placed before the Audit Committee of the listed entity;
- (d) Fairness opinion by a SEBI Registered merchant banker on valuation of assets / shares done by the valuer for the listed entity and unlisted entity;

- (e) Pre and post amalgamation shareholding pattern of unlisted entity;
- (f) Audited financials of last 3 years (financials not being more than 6 months old) of unlisted entity;
- (g) Auditor's Certificate as per Para (5) below;
- (h) Detailed Compliance Report as per the format specified in Annexure IV duly certified by the Company Secretary, Chief Financial Officer and the Managing Director, confirming compliance with various regulatory requirements specified for schemes of arrangement and all accounting standards.

3. Conditions for schemes of arrangement involving unlisted entities

In case of schemes of arrangement between listed and unlisted entities, the following conditions shall be satisfied:

- (a) The listed entity shall include the applicable information pertaining to the unlisted entity/ies involved in the scheme in the format specified for abridged prospectus as provided in Part D of Schedule VIII of the ICDR Regulations, in the explanatory statement or notice or proposal accompanying resolution to be passed sent to the shareholders while seeking approval of the scheme.

The accuracy and adequacy of such disclosures shall be certified by a SEBI Registered Merchant Banker after following the due diligence process. Such disclosures shall also be submitted to the Stock Exchanges for uploading on their websites.

- (b) The percentage of shareholding of pre-scheme public shareholders of the listed entity and the Qualified Institutional Buyers (QIBs) of the unlisted entity, in the post scheme shareholding pattern of the "merged" company shall not be less than 25%.
- (c) Unlisted entities can be merged with a listed entity only if the listed entity is listed on a Stock Exchange having nationwide trading terminals.

4. Valuation Report;

- (a) All listed entities are required to submit a valuation report from an Independent Chartered Accountant.
- (b) However, Valuation Report is not required in cases where there is no change in the shareholding pattern of the listed entity / resultant company.
- (c) For the limited purpose of this Circular, 'change in the shareholding pattern' shall mean;
 - (i) change in the proportion of shareholding of any of the existing shareholders of the listed entity in the resultant company; or
 - (ii) new shareholder being allotted equity shares of the resultant company; or
 - (iii) existing shareholder exiting the company pursuant to the Scheme of Arrangement
- (d) Further, a few examples illustrating 'no change in shareholding pattern' are indicated below:
 - (i) In case a listed entity (say, "entity A") demerges a unit and makes it a separate company (say, "entity B");
 - (1) if the shareholding of entity B is comprised only of the shareholders of entity A; and
 - (2) if the shareholding pattern of entity B is the same as in entity A; and
 - (3) every shareholder in entity B holds equity shares in the same proportion as held in entity A before the demerger
 - (ii) In case a wholly-owned-subsidiary (say, "entity X") of a listed entity is merged with its parent listed entity (say, "entity Y"), where the shareholders and the shareholding pattern of entity Y remains the same, it will be treated as 'no change in shareholding pattern'.

For the limited purpose of this Circular, 'resultant company' shall mean a company arising / remaining after the listed entity undertakes a Scheme of Arrangement.

5. Auditor's certificate

- (a) An auditors' certificate shall be filed to the effect that the accounting treatment contained in the scheme is in compliance with all the Accounting Standards specified by the Central Government under Section 133 of the Companies Act, 2013 read with the rules framed thereunder or the Accounting Standards issued by ICAI, as applicable, and other generally accepted accounting principles.

Provided that in case of companies where the respective sectoral regulatory authorities have prescribed norms for accounting treatment of items in the financial statements contained in the scheme, the requirements of the regulatory authorities shall prevail.

Explanation – For this purpose, mere disclosure of deviations in accounting treatments as prescribed in the aforementioned Accounting Standards and other generally accepted Accounting Principles shall not be deemed as compliance with the above.

- (b) The standard format for auditors' certificate would be as per Annexure II.

6. Redressal of Complaints

- (a) The Listed entity shall submit to Stock Exchanges a 'Report on Complaints' which shall contain the details of complaints/comments received by it on the Draft Scheme from various sources (complaints/comments written directly to the listed entity or forwarded to it by the Stock Exchanges/SEBI) as per Annexure III of this Circular prior to obtaining Observation Letter from Stock Exchanges on Draft Scheme.
- (b) 'Report on Complaints' as mentioned above, shall be submitted by listed entity to the Stock Exchanges within 7 days of expiry of 21 days from the date of filing of Draft Scheme with Stock Exchanges and hosting the Draft Scheme along with documents specified under para (2) above on the websites of Stock Exchanges and the listed entity.

7. Disclosure on the Website

- (a) Immediately upon filing of the Draft Scheme of arrangement with the Stock Exchanges, the listed entity shall disclose

the Draft Scheme of arrangement and all the documents specified under para (2) above on its website.

- (b) Listed entity shall also disclose the Observation Letter of the Stock Exchanges on its website within 24 hours of receiving the same.

8. Explanatory Statement or notice or proposal accompanying resolution sent to shareholders for seeking approval of scheme

- (a) The Listed entity shall include the Observation Letter of the Stock Exchanges, in the explanatory statement or notice or proposal accompanying resolution to be passed sent to the shareholders seeking approval of the Scheme.
- (b) The listed entity shall ensure that in the explanatory statement or notice or proposal accompanying resolution to be passed, it shall disclose the pre and post-arrangement or amalgamation, expected capital structure and shareholding pattern, and the “fairness opinion” obtained from a merchant bankers on valuation of assets / shares done by the independent chartered accountant for the listed entity and unlisted entity.
- (c) The Listed entity shall upload the ‘Report on Complaints’ as provided in Para 6 (b) and the ‘Compliance Report’ as provided in Para 2 (h) above, on the company’s website and websites of Stock Exchanges.

9. Approval of Shareholders to Scheme through e-Voting

- (a) The Listed entities shall ensure that the Scheme of Arrangement submitted with the NCLT for sanction, provides for voting by public shareholders through e-voting, after disclosure of all material facts in the explanatory statement sent to the shareholders in relation to such resolution.
- (b) The Scheme of arrangement shall be acted upon only if the votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it, in the following cases:
 - i. Where additional shares have been allotted to Promoter /

Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group of the listed entity, or

- ii. Where the Scheme of Arrangement involves the listed entity and any other entity involving Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group.
- iii. Where the parent listed entity has acquired, either directly or indirectly, the equity shares of the subsidiary from any of the shareholders of the subsidiary who may be Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group of the parent listed entity, and if that subsidiary is being merged with the parent listed entity under the Scheme.
- iv. Where the scheme involving merger of an unlisted entity results in reduction in the voting share of pre-scheme public shareholders of listed entity in the transferee / resulting company by more than 5% of the total capital of the merged entity;
- v. where the scheme involves transfer of whole or substantially the whole of the undertaking of the listed entity and the consideration for such transfer is not in the form of listed equity shares;

For the purpose of this clause, the expression “substantially the whole of the undertaking” in any financial year shall mean twenty per cent or more of value of the company in terms of consolidated net worth or consolidated total income during previous financial year as specified in Section 180(1)(a)(i) of the Companies Act, 2013.

For the purpose of this clause, the term 'public' shall carry the same meaning as defined under Rule 2 of Securities Contracts (Regulation) Rules, 1957.

- (c) For all other cases, the requirements stated at para (9)(b) above, i.e. approval only by public shareholders, shall not be

applicable. In such cases, the listed entities shall furnish an undertaking certified by the auditor and duly approved by the Board of the company, clearly stating the reasons for non-applicability of para (9) (a) above.

- (d) The undertaking as referred to in Para (9) (c) above shall be displayed on the websites of Stock Exchanges and the listed entity along with other documents submitted, as stipulated under Para (2) above.
- e) Any misstatement or furnishing of false information with regard to the said undertaking would be viewed seriously and liable for punitive action as per the provisions of applicable laws and regulations.

10. Subsequent to filing the draft scheme with SEBI, no changes to the draft scheme, except those mandated by the regulators / authorities / tribunal shall be made without specific written consent of SEBI.

B. Obligations of Stock Exchange(s)

1. The designated Stock Exchange, upon receipt of the Draft Scheme of Arrangement and documents referred to at para (A) (2) above shall forward the same to SEBI within three working days.
2. The 'Report on Complaints' shall be forwarded by the Stock Exchanges to SEBI before SEBI communicates its comments on the Draft Scheme to the Stock Exchanges. Such Report shall be submitted as per the format specified at Annexure III to this Circular.
3. The Stock Exchanges where the specified securities are listed / proposed to be listed shall also disclose on their websites the documents listed at para (A) (2) above immediately on receipt. It shall also disclose the Observation Letter on its website immediately upon issuance.
4. Stock Exchanges shall provide the 'Observation Letter' or 'No-Objection' letter to SEBI on the draft scheme. In case of companies listed exclusively on Regional Stock Exchanges, SEBI shall issue Comment letter upon receipt of Observation Letter' or 'No-Objection' letter from the Designated Stock Exchange.

In other cases, SEBI shall issue Comment letter upon receipt of Observation Letter' or 'No-Objection' letter from Stock Exchanges having nationwide trading terminals.

C. Processing of the Draft Scheme by SEBI

1. Upon receipt of Observation Letter' or 'No-Objection' letter from the Stock Exchanges, SEBI shall provide its comments on the Draft Scheme of arrangement to the Stock Exchanges. While processing the Draft Scheme, SEBI may seek clarifications from any person relevant in this regard including the listed entity or the Stock Exchanges and may also seek an opinion from an Independent Chartered Accountant.
2. SEBI shall endeavour to provide its comments on the Draft Scheme to the stock exchanges within 30 days from the later of the following:
 - (a) date of receipt of satisfactory reply on clarifications, if any sought from the listed entity by SEBI; or
 - (b) date of receipt of opinion from Independent Chartered Accountant, if sought by SEBI; or
 - (c) date of receipt of Observation Letter' or 'No-Objection' letter from the Stock Exchanges.
 - (d) date of receipt of copy of in-principle approval for listing of equity shares of the company seeking exemption from Rule 19(2)(b) of Securities Contracts (Regulation) Rules, 1957 on designated Stock Exchange, in case the listed entity is listed solely on regional Stock Exchange.
3. All complaints/comments received by SEBI on the Draft Scheme of arrangement shall be forwarded to the designated Stock Exchange, for necessary action and resolution by the listed entity.

II. Requirements after the Scheme is Sanctioned by the Hon'ble High Court / NCLT (hereinafter referred to as "Approved Scheme")

1. Submission of Documents

Upon sanction of the Scheme by the Hon'ble High Court /

NCLT, the listed entity shall submit the documents mentioned below to the Stock Exchanges:-

- (a) Copy of the High Court/ NCLT approved Scheme;
- (b) Result of voting by shareholders for approving the Scheme;
- (c) Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme of arrangement vis-à-vis the Draft Scheme of arrangement
- (d) Status of compliance with the Observation Letter or No Objection Letter of the Stock Exchange(s)
- (e) The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
- (f) Report on Complaints as per Annexure III of this Circular.

III. Application for relaxation under Sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957

A. Requirements to be fulfilled by Listed Entity for Listing of Equity Shares

1. Eligibility conditions for companies seeking relaxation under sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957

A listed issuer may submit the Draft Scheme of arrangement under sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957, thereby seeking relaxation from the strict enforcement of clause (b) to sub-rule (2) of rule 19 thereof, for listing of its equity shares on a recognized Stock Exchange without making an initial public offer, if it satisfies the following conditions:

- (a) The equity shares sought to be listed are proposed to be allotted by the unlisted issuer (transferee entity) to the holders of securities of a listed entity (transferor entity) pursuant to a scheme of reconstruction or amalgamation (Scheme) sanctioned by NCLT under Section 230-234 of the Companies Act, 2013;
- (b) At least twenty five per cent of the post-scheme paid up share capital of the transferee entity shall comprise of shares allotted to the public shareholders in the transferor entity;

- (c) The transferee entity will not issue/ reissue any shares, not covered under the Draft Scheme of arrangement;
- (d) As on date of application, there are no outstanding warrants/ instruments/ agreements which give right to any person to take the equity shares in the transferee entity at any future date. If there are such instruments stipulated in the Draft Scheme, the percentage referred to in Para (b) above shall be computed after giving effect to the consequent increase of capital on account of compulsory conversions outstanding as well as on the assumption that the options outstanding, if any, to subscribe for additional capital will be exercised; and
- (e) The shares of the transferee entity issued in lieu of the locked-in shares of the transferor entity will be subject to lock-in for the remaining period.

2. Additional conditions for entities seeking relaxation under sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957

Stock Exchanges shall ensure that, an unlisted issuer may make an application to the Board under sub-rule (7) of rule 19 of the SCRR, pursuant to Part III of Annexure I this Circular if it satisfies the following conditions:

- (a) Observation Letter or No Objection Letter has been issued by the Stock Exchanges to the Draft Scheme of arrangement;
 - (b) The listing of the equity shares of the transferee entity is in terms of the Scheme sanctioned by the Hon'ble High Court/ NCLT or its order whereby the Scheme of arrangement has been sanctioned;
 - (c) The equity shares sought to be listed have been allotted by the unlisted issuer (transferee entity) to the holders of securities of a listed entity (transferor entity);
 - (d) The names of the allottees have been entered as beneficial owners in the records of the depositories pursuant to the Scheme or share certificates have been dispatched to the allottees.
3. In case of a scheme involving hiving-off of a division from a listed entity into an unlisted entity the entire pre-scheme share

capital of the unlisted issuer seeking listing shall be locked in as follows:

- (a) Shares held by Promoters up to the extent of twenty percent of the post-merger paid-up capital of the unlisted issuer, shall be locked-in for a period of three years from the date of listing of the shares of the unlisted issuer;
 - (b) The remaining shares shall be locked-in for a period of one year from the date of listing of the shares of the unlisted issuer.
 - (c) No additional lock-in shall be applicable if the post scheme shareholding pattern of the unlisted entity is exactly similar to the shareholding pattern of the listed entity.
4. The listed entity and/or transferee entity (unlisted entity), as applicable, shall ensure that it has completed steps for listing of its specified securities, within thirty days of the receipt of the order of the Hon'ble High Court/ NCLT sanctioning the Scheme, simultaneously on all the Stock Exchanges where the equity shares of the listed entity (or transferor entity) are/were listed.
5. It shall be ensured that trading in securities commences within forty five days of the order of the Hon'ble High Court/ NCLT. Before commencement of trading, the transferee entity shall give an advertisement in one English and one Hindi newspaper with nationwide circulation and one regional newspaper with wide circulation at the place where the registered office of the transferee entity (is situated, giving following details:
- (a) Name and address of its registered office;
 - (b) Details of change of name and/or object clause;
 - (c) Capital structure - pre and post scheme of amalgamation. This shall provide details of the authorized, issued, subscribed and paid up capital (Number of instruments, description, and aggregate nominal value);
 - (d) Shareholding pattern giving details of its promoter group shareholding, group companies;
 - (e) Names of its ten largest shareholders - number and

percentage of shares held by each of them, their interest, if any;

- (f) Details of its promoters - educational qualifications, experience, address;
- (g) Business and its management;
- (h) Reason for the amalgamation;
- (i) Financial statements for the previous three years prior to the date of listing;
- (j) Latest audited financial statements along with notes to accounts and any audit qualifications. Change in accounting policies in the last three years and their effect on profits and reserves (Financial statements should not be later than six months prior to the date of listing);
- (k) Details of its other group companies including their capital structure and financial statements;
- (l) Outstanding litigations and defaults of the transferee entity, promoters, directors or any of the group companies;
- (m) Particulars of high, low and average prices of the shares of the listed transferor entity during the preceding three years;
- (n) Any material development after the date of the balance sheet; and
- (e) Such other information as may be specified by the Board from time to time.

B. Application by a listed entity for Listing of Equity Shares with Differential Rights as to Dividend, Voting or Otherwise:

A listed entity desirous of listing of its equity shares with differential rights as to dividend, voting or otherwise, without making an initial public offer of such equity shares, may make an application to the Board under sub-rule (7) of rule 19 of the SCRR seeking relaxation from strict enforcement of clause (b) to sub-rule (2) of rule 19 thereof if it satisfies the following conditions:

- (a) such equity shares are issued to all the existing shareholders as on record date by way of rights or bonus issue;

- (b) the issuer is in compliance with the conditions of minimum public shareholding requirement stipulated in regulation 38 of Listing Regulation, with reference to the equity shares already listed and the equity shares with differential rights proposed to be listed; and
- (c) the issuer undertakes to disclose the shareholding pattern of the equity shares with differential rights separately in terms of requirements of regulation 31 of listing regulations.

C. Application by a listed entity for Listing of warrants Offered Along With Non-Convertible Debentures (NCDs):

A listed entity, desirous of listing of its warrants without making an initial public offer of warrants, may make an application to the Board under sub-Rule (7) of rule 19 of the SCRR seeking relaxation from strict enforcement of clause (b) to sub-rule (2) of rule 19 if it satisfies the following conditions:

- (a) warrants are issued as combined offering of NCDs and warrants through qualified institutions placement under Chapter VIII of the ICDR Regulations;
- (b) the issuer is in compliance with all the provisions of Chapter VIII of the ICDR Regulations ; and
- (c) NCDs and warrants shall be traded in the minimum trade lot of one lakh rupees.

D. Requirements to be fulfilled by Stock Exchange(s)

1. The designated Stock Exchange shall forward the documents to the Board along with its recommendations on documents and recommendation, if applicable, on the application for granting exemption, under sub-rule (7) of rule 19 of SCRR.

E. Processing of the Scheme by SEBI

1. The Board may, while granting relaxation, if any, under sub-rule (7) of rule 19 of SCRR, stipulate any other conditions as may be deemed necessary in the interest of investors and securities market, under the facts and circumstances of the specific case.

2. SEBI shall endeavour to intimate its comments/approval, wherever applicable, to the designated Stock Exchange within 30 days of receipt of complete information, including the no-objection certificate from the Stock Exchange.

Annexure II

Format for Auditor's Certificate

To,

The Board of Directors,

.....

(Name and address of the Company)

We, the statutory auditors of (name of the listed entity), (hereinafter referred to as “the Company”), have examined the proposed accounting treatment specified in clause (specify clause number) of the Draft Scheme of (specify the type of Scheme) between (names of the companies/entities involved) in terms of the provisions of section(s) (specify the relevant section(s)) of the Companies Act, 1956/ Companies Act, 2013 with reference to its compliance with the applicable Accounting Standards notified under the Companies Act, 1956/ Companies Act, 2013 and Other Generally Accepted Accounting Principles.

The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved. Our responsibility is to examine and report whether the Draft Scheme complies with the applicable Accounting Standards and Other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.

Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid scheme is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations,

2015 and circulars issued thereunder and all the applicable Accounting Standards notified by the Central Government under the Companies Act, 1956/ Companies Act, 2013 and/or the accounting treatment in respect of (specify the financial statement item(s)) as prescribed by (name of the regulator) vide its Notification (details of the Notification) which prevail over the accounting treatment for the same as prescribed under the aforesaid Accounting Standards (wherever applicable), except the following:

.....

.....

This Certificate is issued at the request of the (name of the Company) pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onward submission to the (name of the Stock Exchange(s)). This Certificate should not be used for any other purpose without our prior written consent.

For

.....

(name of the Firm)

Chartered Accountants

Firm Registration No.:

Signature

(Name of the member)

Designation (Partner or proprietor, as may be applicable):

Membership Number:

Place:

Date:

Annexure III

Format for Report on Complaints**Part A**

<i>Sr. No.</i>	<i>Particulars</i>	<i>Number</i>
1	Number of complaints received directly	
2	Number of complaints forwarded by Stock Exchanges / SEBI	
3	Total Number of complaints/comments received (1+2)	
4	Number of complaints resolved	
5	Number of complaints pending	

Part B

<i>Sr. No.</i>	<i>Name of complainant</i>	<i>Date of Complaint</i>	<i>Status (Resolved/pending)</i>
1			
2			
3			

Annexure IV

**Format of the Compliance Report to be submitted
along with the draft scheme**

It is hereby certified that the draft scheme of arrangement involving (Name of the entities) does not, in any way violate, override or limit the provisions of securities laws or requirements of the Stock Exchange(s) and the same is in compliance with the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and this circular, including the following:

Sl.	Reference	Particulars
1	Regulations 17 to 27 of LODR Regulations	Corporate governance requirements
2	Regulation 11 of LODR Regulations	Compliance with securities laws
<i>Requirements of this circular</i>		
(a)	Para (I) (A) (2)	Submission of documents to Stock Exchanges
(b)	Para (I) (A) (2)	Conditions for schemes of arrangement involving unlisted entities
(c)	Para (I) (A) (4) (a)	Submission of Valuation Report
(d)	Para (I) (A) (5)	Auditors certificate regarding compliance with Accounting Standards
(e)	Para (I) (A) (9)	Provision of approval of public shareholders through e-voting

Company Secretary

Managing Director

Certified that the transactions / accounting treatment provided in the draft scheme of arrangement involving (Name of the entities) are in compliance with all the Accounting Standards applicable to a listed entity.

Chief Financial Officer

Managing Director



भारतीय प्रतिभूति और विनिमय बोर्ड
Securities and Exchange Board of India

CIRCULAR

CIR/CFD/CMD/14/2015

November 30, 2015

To

The Listed Entities

The Recognized Stock Exchanges

Dear Sir/Madam,

Sub: Manner of achieving minimum public shareholding

1. Regulation 38 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides that the listed entity shall comply with minimum public shareholding requirements in the manner as specified by the Board from time to time.
2. In order to achieve the minimum level of public shareholding specified in Rule 19(2)(b) and/or Rule 19A of the Securities Contracts (Regulation) Rules, 1957, the Listed Entity shall adopt any of the following methods :-
 - i. Issuance of shares to public through prospectus;
 - ii. Offer for sale of shares held by promoters to public through prospectus;
 - iii. Sale of shares held by promoters through the secondary market in terms of SEBI circular CIR/MRD/DP/05/2012 dated February 1, 2012;
 - iv. Institutional Placement Programme (IPP) in terms of Chapter VIIIA of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - v. Rights Issue to public shareholders, with promoter/promoter group shareholders forgoing their entitlement to equity shares, that may arise from such issue;
 - vi. Bonus Issues to public shareholders, with promoter/

promoter group shareholders forgoing their entitlement to equity shares, that may arise from such issue;

- vii. Any other method as may be approved by SEBI on a case to case basis. For this purpose, the listed entities may approach SEBI with appropriate details. SEBI would endeavor to communicate its decision within 30 days from the date of receipt of the proposal or the date of receipt of additional information as sought from the company.
3. The Stock Exchanges are advised to bring the provisions of this circular to the notice of the listed entities and also to disseminate the same on its website. This circular shall come into force on December 01, 2015.
 4. This Circular is issued in exercise of the powers conferred under Section 11 and Section 11A of the Securities and Exchange Board of India Act, 1992 read with Regulation 38 and Regulation 101(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 5. This circular is available on SEBI website at www.sebi.gov.in in under the categories “Legal Framework” and “Continuous Disclosure Requirements”.

Yours faithfully,

B N Sahoo
General Manager
Compliance and Monitoring Division
Corporation Finance Department
biranchins@sebi.gov.in



भारतीय प्रतिभूति और विनियम बोर्ड
Securities and Exchange Board of India

CIRCULAR

CIR/CFD/CMD/5/2015

September 24, 2015

To

All Listed Entities

All the Recognized Stock Exchanges

Dear Sir/Madam,

Sub: Format for compliance report on Corporate Governance to be submitted to Stock Exchange (s) by Listed Entities

1. Regulation 27(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), specifies that the listed entity shall submit quarterly compliance report on corporate governance in the format specified by the Board from time to time to recognised Stock Exchange(s) within fifteen days from close of the quarter.
2. Accordingly, formats for Compliance Report on Corporate Governance as per the Annexures I, II and III to this circular are being prescribed:-
 - 2.1. Annexure - I - on quarterly basis;
 - 2.2. Annexure - II - at the end of the financial year (for the whole of financial year);
 - 2.3. Annexure - III - within six months from end of financial year. This may be submitted alongwith second quarter report.
3. Additionally, the following reports shall also be placed before the board of directors of the listed entity in terms of requirement under Regulation 17(3) of Listing Regulations :-
 - 3.1. Compliance Reports mentioned at para 2 above;
 - 3.2. Secretarial Audit Report prepared in accordance with Rule 9 of Companies (Appointment and Remuneration of

Managerial Personnel) Rules, 2014 under Section 204 of the Companies Act, 2013 in so far as it pertains to Securities Laws.

The above report shall be placed before the board of directors of the listed entity in its next meeting.

4. The Stock Exchanges are advised to bring the provisions of this circular to the notice of Listed Entity and also to disseminate the same on its website. This circular shall come into force with effect from 90 days of notifications of Listing Regulations i.e. September 02, 2015.
5. This circular is issued under regulation 27(2) read with regulation 101(2) of Listing Regulations, 2015.
6. This circular is available on SEBI website at www.sebi.gov.in under the categories “Legal Framework” and “Continuous Disclosure Requirements”.

Yours faithfully,

Harini Balaji
General Manager
+91-22-26449372
harinib@sebi.gov.in

Annexure I

Format to be submitted by listed entity on quarterly basis

1. Name of Listed Entity
2. Quarter ending

I. Composition of Board of Directors								
Title (Mr./Ms)	Name of the Director	PAN ^s & DIN	Category (Chairperson/ Executive/Non- Executive/in dependent/Nominee) ^{&}	Date of Appointment in the current term/ cessation	Tenure [*]	No of Directorship in listed entities including this listed entity (Refer Regulation 25(1) of Listing Regulations)	Number of memberships in Audit/ Stakeholder Committee(s) including this listed entity (Refer Regulation 26(1) of Listing Regulations)	No of post of Chairperson in Audit/ Stakeholder Committee held in listed entities including this listed entity (Refer Regulation 26(1) of Listing Regulations)
^s PAN number of any director would not be displayed on the website of Stock Exchange ^{&} Category of directors means executive/non-executive/independent/Nominee. if a director fits into more than one category write all categories separating them with hyphen [*] to be filled only for Independent Director. Tenure would mean total period from which Independent director is serving on Board of directors of the listed entity in continuity without any cooling off period.								
II. Composition of Committees								
Name of Committee						Name of Committee members	Category (Chairperson/Executive/Non-Executive/independent/Nominee) ^s	
1. Audit Committee								
2. Nomination & Remuneration Committee								
3. Risk Management Committee(if applicable)								
4. Stakeholders Relationship Committee ¹								
^s Category of directors means executive/non-executive/independent/Nominee. if a director fits into more than one category write all categories separating them with hyphen								
III. Meeting of Board of Directors								
Date(s) of Meeting (if any) in the previous quarter			Date(s) of Meeting (if any) in the relevant quarter			Maximum gap between any two consecutive (in number of days)		
IV. Meeting of Committees								
Date(s) of meeting of the committee in the relevant quarter		Whether requirement of Quorum met (details)		Date(s) of meeting of the committee in the previous quarter		Maximum gap between any two consecutive meetings in number of days [*]		

* This information has to be mandatorily be given for audit committee, for rest of the committees giving this information is optional	
V. Related Party Transactions	
Subject	Compliance status (Yes/No/NA) ^{refer note below}
Whether prior approval of audit committee obtained	
Whether shareholder approval obtained for material RPT	
Whether details of RPT entered into pursuant to omnibus approval have been reviewed by Audit Committee	
Note 1 In the column "Compliance Status", compliance or non-compliance may be indicated by Yes/No/N.A.. For example, if the Board has been composed in accordance with the requirements of Listing Regulations, "Yes" may be indicated. Similarly, in case the Listed Entity has no related party transactions, the words "N.A." may be indicated. 2 If status is "No" details of non-compliance may be given here.	
VI. Affirmations	
1. The composition of Board of Directors is in terms of SEBI (Listing obligations and disclosure requirements) Regulations, 2015. 2. The composition of the following committees is in terms of SEBI(Listing obligations and disclosure requirements) Regulations, 2015 a. Audit Committee b. Nomination & remuneration committee c. Stakeholders relationship committee d. Risk management committee (applicable to the top 100 listed entities) 3. The committee members have been made aware of their powers, role and responsibilities as specified in SEBI (Listing obligations and disclosure requirements) Regulations, 2015. 4. The meetings of the board of directors and the above committees have been conducted in the manner as specified in SEBI (Listing obligations and disclosure requirements) Regulations, 2015. 5. This report and/or the report submitted in the previous quarter has been placed before Board of Directors. Any comments/observations/advice of Board of Directors may be mentioned here:	
Name & Designation Company Secretary / Compliance Officer / Managing Director / CEO	

Note:

Information at Table I and II above need to be necessarily given in 1st quarter of each financial year. However if there is no change of information in subsequent quarter(s) of that financial year, this information may not be given by Listed entity and instead a statement "same as previous quarter" may be given.

Annexure II

Format to be submitted by listed entity at the end of the financial year (for the whole of financial year)

I. Disclosure on website in terms of Listing Regulations		
Item	Compliance status (Yes/No/NA) ^{refer note below}	
Details of business		
Terms and conditions of appointment of independent directors		
Composition of various committees of board of directors		
Code of conduct of board of directors and senior management personnel		
Details of establishment of vigil mechanism/ Whistle Blower policy		
Criteria of making payments to non-executive directors		
Policy on dealing with related party transactions		
Policy for determining 'material' subsidiaries		
Details of familiarization programmes imparted to independent directors		
Contact information of the designated officials of the listed entity who are responsible for assisting and handling investor grievances		
email address for grievance redressal and other relevant details		
Financial results		
Shareholding pattern		
Details of agreements entered into with the media companies and/or their associates		
New name and the old name of the listed entity		
II Annual Affirmations		
Particulars	Regulation Number	Compliance status (Yes/No/NA) ^{refer note below}
Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	16(1)(b) & 25(6)	
Board composition	17(1)	
Meeting of Board of directors	17(2)	
Review of Compliance Reports	17(3)	
Plans for orderly succession for appointments	17(4)	
Code of Conduct	17(5)	
Fees/compensation	17(6)	
Minimum Information	17(7)	
Compliance Certificate	17(8)	
Risk Assessment & Management	17(9)	
Performance Evaluation of Independent Directors	17(10)	
Composition of Audit Committee	18(1)	
Meeting of Audit Committee	18(2)	
Composition of nomination & remuneration committee	19(1) & (2)	
Composition of Stakeholder Relationship Committee	20(1) & (2)	
Composition and role of risk management committee	21(1),(2),(3),(4)	
Vigil Mechanism	22	
Policy for related party Transaction	23(1),(5),(6),(7) & (8)	
Prior or Omnibus approval of Audit Committee for all related party transactions	23(2), (3)	

<i>Approval for material related party transactions</i>	23(4)	
<i>Composition of Board of Directors of unlisted material Subsidiary</i>	24(1)	
<i>Other Corporate Governance requirements with respect to subsidiary of listed entity</i>	24(2),(3),(4),(5) & (6)	
<i>Maximum Directorship & Tenure</i>	25(1) & (2)	
<i>Meeting of independent directors</i>	25(3) & (4)	
<i>Familiarization of independent directors</i>	25(7)	
<i>Memberships in Committees</i>	26(1)	
<i>Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel</i>	26(3)	
<i>Disclosure of Shareholding by Non-Executive Directors</i>	26(4)	
<i>Policy with respect to Obligations of directors and senior management</i>	26(2) & 26(5)	
Note 1 In the column "Compliance Status", compliance or non-compliance may be indicated by Yes/No/N.A.. For example, if the Board has been composed in accordance with the requirements of Listing Regulations, "Yes" may be indicated. Similarly, in case the Listed Entity has no related party transactions, the words "N.A." may be indicated. 2 If status is "No" details of non-compliance may be given here. 3 If the Listed Entity would like to provide any other information the same may be indicated here.		
III Affirmations: The Listed Entity has approved Material Subsidiary Policy and the Corporate Governance requirements with respect to subsidiary of Listed Entity have been complied.		
Name & Designation Company Secretary / Compliance Officer / Managing Director / CEO		

Annexure III

Format to be submitted by listed entity at the end of 6 months after end of financial year along-with second quarter report of next financial year

I Affirmations		
Broad heading	Regulation Number	Compliance status (Yes/No/NA) ^{refer note below}
Copy of the annual report including balance sheet, profit and loss account, directors report, corporate governance report, business responsibility report displayed on website	46(2)	
Presence of Chairperson of Audit Committee at the Annual General Meeting	18(1)(d)	
Presence of Chairperson of the nomination and remuneration committee at the annual general meeting	19(3)	
Whether "Corporate Governance Report" disclosed in Annual Report	34(3) read with para C of Schedule V	
Note 1 In the column "Compliance Status", compliance or non-compliance may be indicated by Yes/No/N.A.. For example, if the Board has been composed in accordance with the requirements of Listing Regulations, "Yes" may be indicated. Similarly, in case the Listed Entity has no related party transactions, the words "N.A." may be indicated. 2 If status is "No" details of non-compliance may be given here. 3 If the Listed Entity would like to provide any other information the same may be indicated here.		
Name & Designation Company Secretary / Compliance Officer / Managing Director / CEO		



भारतीय प्रतिभूति और विनियम बोर्ड
Securities and Exchange Board of India

CIRCULAR

June 16, 2015

To
All Recognised Stock Exchanges

Dear Sir/Madam,

Sub: Requirements specified under the SEBI (Share Based Employee Benefits) Regulations, 2014

1. This has reference to the SEBI (Share Based Employee Benefits) Regulations, 2014 ("the Regulations") notified on October 28, 2014. The Regulations provide for certain processes / disclosure requirements to be specified by SEBI. Accordingly, necessary guidelines are being issued and given in the **Annexure** to this circular.
2. The stock exchanges are advised to bring the contents of this circular to the notice of the companies listed on them and ensure its compliance.
3. This circular is being issued in exercise of the powers under regulation 28 of the Regulations and section 11 read with section 11A of the Securities and Exchange Board of India Act, 1992.
4. This circular is available on SEBI website at www.sebi.gov.in under the categories "Legal Framework" and "Issues and Listing".

Yours faithfully,

Amit Tandon
Deputy General Manager
+91-22-26449373
amitt@sebi.gov.in

*Annexure***Requirements under the SEBI (Share Based Employee Benefits) Regulations, 2014****Regulation 3(3) - Minimum Provisions in Trust Deed**

The trust deed shall, inter alia, cover the following:

1. Details of the trust, including:
 - (i) Name of the trust;
 - (ii) Object of the trust;
 - (iii) Details of settlor;
 - (iv) Details of scheme(s) administered;
 - (v) Source of funds;
 - (vi) Description of the manner in which the trust funds shall be used for meeting object of the trust;
 - (vii) Description of the classes of beneficiaries along with their rights and obligations;
 - (viii) Details of trustee(s);
2. Powers and duties of trustee(s), including:
 - (i) Frame rules for administration of the scheme(s) in compliance with the scheme documents, object of the trust and the regulations;
 - (ii) Maintain books of accounts of trust as required under law including the regulations;
3. Provisions on dissolution of the trust;
4. Trust deed shall provide that it would be the duty of the trustees to act in the interest of employees who are beneficiaries of the trust and subject to provisions of the regulations, it shall not act in any manner or include any provision in the trust deed that would be detrimental to the interests of the beneficiaries.
5. Such other clauses which are necessary for safeguarding the interests of the beneficiaries.

Regulation 5(3) - Terms and Conditions of schemes to be formulated by the Compensation Committee

The Compensation Committee is required to formulate the detailed terms and conditions of the schemes which shall, *inter alia*, include the following provisions:

- a. the quantum of option, SAR, share or benefit as the case may be, per employee and in aggregate under a scheme;
- b. the kind of benefits to be granted under a scheme covered by Part D and Part E of Chapter III of the regulations;
- c. the conditions under which options, SAR, shares or other benefits as the case may be, may vest in employees and may lapse in case of termination of employment for misconduct;
- d. the exercise period within which the employee can exercise the options or SARs and that options or SARs would lapse on failure to exercise the same within the exercise period;
- e. the specified time period within which the employee shall exercise the vested options or SARs in the event of termination or resignation of an employee;
- f. the right of an employee to exercise all the options or SARs, as the case may be, vested in him at one time or at various points of time within the exercise period;
- g. the procedure for making a fair and reasonable adjustment to the entitlement including adjustment to the number of options/SARs and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard, the following shall, *inter alia*, be taken into consideration by the compensation committee:
 - i. the number and price of options / SARs shall be adjusted in a manner such that total value to the employee of the options/SAR remains the same after the corporate action;
 - ii. the vesting period and the life of the options / SAR shall be left unaltered as far as possible to protect the rights of the employee(s) who is granted such options / SARs;

- h. the grant, vesting and exercise of shares, options or SARs in case of employees who are on long leave;
- i. eligibility to avail benefits under schemes covered by Part D and/or Part E of Chapter III of the regulations in case of employees who are on long leave; and
- j. the procedure for cashless exercise of options / SARs.

Regulation 6(2) - Contents of the explanatory statement to the notice and resolution for shareholders meeting

The explanatory statement to the notice and the resolution proposed to be passed for the schemes in general meeting shall, inter alia, contain the following information:

- a. brief description of the scheme(s);
- b. the total number of options, SARs, shares or benefits, as the case may be, to be granted;
- c. identification of classes of employees entitled to participate and be beneficiaries in the scheme(s);
- d. requirements of vesting and period of vesting;
- e. maximum period (subject to regulation 18(1) and 24(1) of the regulations, as the case may be) within which the options/SARs/benefit shall be vested;
- f. exercise price, SAR price, purchase price or pricing formula;
- g. exercise period and process of exercise;
- h. the appraisal process for determining the eligibility of employees for the scheme(s);
- i. maximum number of options, SARs, shares, as the case may be, to be issued per employee and in aggregate;
- j. maximum quantum of benefits to be provided per employee under a scheme(s);
- k. whether the scheme(s) is to be implemented and administered directly by the company or through a trust;
- l. whether the scheme(s) involves new issue of shares by the company or secondary acquisition by the trust or both;
- m. the amount of loan to be provided for implementation of the scheme(s) by the company to the trust, its tenure, utilization, repayment terms, etc.;
- n. maximum percentage of secondary acquisition (subject to

limits specified under the regulations) that can be made by the trust for the purposes of the scheme(s);

- o. a statement to the effect that the company shall conform to the accounting policies specified in regulation 15;
- p. the method which the company shall use to value its options or SARs;
- q. the following statement, if applicable:

'In case the company opts for expensing of share based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the Directors' report and the impact of this difference on profits and on earnings per share ("EPS") of the company shall also be disclosed in the Directors' report.'

Regulation 10(b) - Information required in the statement to be filed with Stock Exchange(s)**Description of Schemes**

- 1 Authorized Share Capital of the Company.
- 2 Issued Share Capital of the Company as on date of Institution of the scheme/ amendment of the scheme.
- 3 Date of institution of the scheme/ amendment of the scheme.
- 4 Validity period of the scheme.
- 5 Date of notice of AGM/EGM for approving the scheme/for amending the scheme/for approving grants under regulation 6(3) of the SEBI (Share Based Employee Benefits) Regulations, 2014.
- 6 Date of AGM/EGM approving the scheme/amending the scheme/approving grants under regulation 6(3) of the SEBI (Share Based Employee Benefits) Regulations, 2014.
- 7 Kind of benefit granted under the scheme.
- 8 Identity of classes of persons eligible under the scheme:
 - a. Permanent employees
 - b. Permanent employees outside India
 - c. Permanent employees of subsidiary
 - d. Permanent employees of holding company
 - e. Permanent employees of associate company
 - f. Whole-time directors
- 9 Total number of shares reserved under the scheme, as applicable.
- 10 Number of shares entitled under the grant.
- 11 Total number of grants to be made.
- 12 Maximum number of shares, options, SARs or benefits to be granted per employee per grant and in aggregate.
- 13 Exercise price or pricing formula.

- 14 Whether any amount payable at the time of grant? If so, quantum of such amount.
- 15 Lock-in period under the scheme.
- 16 Vesting period under the scheme.
- 17 Maximum period within which the grant shall be vested.
- 18 Exercise period under the scheme.
- 19 Whether employee can exercise all the options or SARs vested at one time? Yes/No
- 20 Whether employee can exercise vested options or SARs at various points of time within the exercise period? Yes/No
- 21 Whether scheme provides for the procedure for making a fair and reasonable adjustment to the number of options or SARs and to the exercise price in case of rights issues, bonus issues and other corporate actions? Clause in scheme describing such adjustment.
- 22 Description of the appraisal process for determining the eligibility of employees under the scheme.
- 23 The specified time period within which vested options or SARs are to be exercised in the event of termination or resignation of an employee.
- 24 The specified time period within which options or SARs to be exercised in the event of death of the employee.
- 25 Whether scheme provides for conditions under which options, SARs, or benefits vested in employees may lapse in case of termination of employment for misconduct? Clause in Scheme describing such adjustment.
- 26 Whether scheme provides for conditions for the grant, vesting and exercise of options, SARs or benefits in case of employees who are on long leave? Clause in scheme describing such adjustment.
- 27 Whether amount paid/payable by the employee at the time of the grant of the options, SARs or benefits will be forfeited if the employee does not exercise the same within the exercise period? Clause in scheme describing such adjustment.
- 28 Details of approval of shareholders pursuant to regulation

6(3) of the SEBI (Share Based Employee Benefits) Regulations, 2014 with respect to:

- a. Grant to employees of subsidiary or holding or associate company.
 - b. Grant to identified employees, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.
- 29 Details of the variation made to the scheme along with the rationale therefor and the details of the employees who are beneficiary of such variation:

Sd/-

Company Secretary

Place:

Date:

Documents to be filed with registration statement

- 1 Copy of scheme, certified by the Company Secretary.
- 2 Copy of notice of AGM/EGM approving the scheme/for amending the scheme/for approving grants under regulation 6(3) of the SEBI (Share Based Employee Benefits) Regulations, 2014, certified by the Company Secretary.
- 3 Copy of resolution of shareholders for approving the scheme/for amending the scheme/for approving grants under regulation 6(3) of the SEBI (Share Based Employee Benefits) Regulations, 2014, certified by the Company Secretary.
- 4 List of Promoters as defined under the SEBI (Share Based Employee Benefits) Regulations, 2014.
- 5 Copy of latest Annual Report.
- 6 Certificate of Auditor on compliance with of the SEBI (Share Based Employee Benefits) Regulations, 2014.
- 7 Specimen copy of share certificate.
- 8 Any other relevant documents.

Undertakings

The undersigned company hereby undertakes:

- 1 To file, a post-effective amendment to this statement to include any material information with respect to the scheme of distribution not previously disclosed in the statement or any material change to such information in the statement.
- 2 To notify, the concerned stock exchanges on which the shares of the company are listed, of each issue of shares pursuant to the exercise of options or SARs under the scheme mentioned in this statement, in the prescribed form, as amended from time to time.
- 3 That the company shall conform to the accounting policies specified in regulation 15 of the SEBI (Share Based Employee Benefits) Regulations, 2014.
- 4 That the scheme conforms to the SEBI (Share Based Employee Benefits) Regulations, 2014.
- 5 That the company has in place systems / codes / procedures to comply with the SEBI (Prohibition of Insider Trading) Regulations, 1992 or any modification or re-enactment thereto.

Signatures

1. Pursuant to the requirements of the SEBI Act / Regulations, the company certifies that it has reasonable grounds to believe that it meets all the requirements for the filing of this form and has duly caused this statement to be signed on its behalf by the undersigned, thereunto, duly authorized

Name of the company

Sd/-

Name of the Compliance Officer

Designation

Date:

Place:

2. Certification by Registered Merchant Banker, pursuant to regulation 12(6) of the SEBI (Share Based Employee Benefits) Regulations, 2014:

“Certified that the scheme conforms to the SEBI (Share Based Employee Benefits) Regulations, 2014.”

Date: Authorised Signatory

Place: Name of the Merchant Banker

Regulation 10(c) - Format of notification for issue of shares

1. Company name and address of Registered Office :
2. Name of the Stock Exchanges on which the company's shares are listed :
3. Filing date of the statement referred in regulation 10(b) of the SEBI (Share Based Employee Benefits) Regulations, 2014 with Stock Exchange:
4. Filing Number, if any :
5. Title of the Scheme pursuant to which shares are issued, if any:
6. Kind of security to be listed :
7. Par value of the shares :
8. Date of issue of shares :
9. Number of shares issued :
10. Share Certificate No., if applicable :
11. Distinctive number of the share, if applicable :
12. ISIN Number of the shares if issued in Demat :
13. Exercise price per share:
14. Premium per share :
15. Total Issued shares after this issue :
16. Total Issued share capital after this issue :
17. Details of any lock-in on the shares :
18. Date of expiry of lock-in :
19. Whether shares identical in all respects to existing shares if not, when will they become identical? :
20. Details of listing fees, if payable :

Signature of Company Secretary/Compliance Officer

Date:

Place:

Regulation 14 - Disclosures by the board of directors

The board of directors in their report shall disclose any material change in the scheme(s) and whether the scheme(s) is / are in compliance with the regulations.

Further, the following details, inter alia, shall be disclosed on the company's website and a web-link thereto shall be provided in the report of board of directors.

- A.** Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by ICAI or any other relevant accounting standards as prescribed from time to time.
- B.** Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Accounting Standard 20 - Earnings Per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time.

C. Details related to ESOS

- (i) A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS, including -
 - (a) Date of shareholders' approval
 - (b) Total number of options approved under ESOS
 - (c) Vesting requirements
 - (d) Exercise price or pricing formula
 - (e) Maximum term of options granted
 - (f) Source of shares (primary, secondary or combination)
 - (g) Variation in terms of options
- (ii) Method used to account for ESOS - Intrinsic or fair value.
- (iii) Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been

recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.

(iv) Option movement during the year (For each ESOS):

<i>Particulars</i>	<i>Details</i>
Number of options outstanding at the beginning of the period	
Number of options granted during the year	
Number of options forfeited / lapsed during the year	
Number of options vested during the year	
Number of options exercised during the year	
Number of shares arising as a result of exercise of options	
Money realized by exercise of options (INR), if scheme is implemented directly by the company	
Loan repaid by the Trust during the year from exercise price received	
Number of options outstanding at the end of the year	
Number of options exercisable at the end of the year	

(v) Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.

(vi) Employee wise details (name of employee, designation,

number of options granted during the year, exercise price) of options granted to -

- (a) senior managerial personnel;
 - (b) any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year; and
 - (c) identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.
- (vii) A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:
- (a) the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model;
 - (b) the method used and the assumptions made to incorporate the effects of expected early exercise;
 - (c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and
 - (d) whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.

Disclosures in respect of grants made in three years prior to IPO under each ESOS

- (i) Until all options granted in the three years prior to the IPO have been exercised or have lapsed, disclosures of the information specified above in respect of such options shall also be made.

D. Details related to ESPS

- (i) The following details on each ESPS under which allotments were made during the year:
 - (a) Date of shareholders' approval

- (b) Number of shares issued
- (c) The price at which such shares are issued
- (d) Lock-in period
- (ii) The following details regarding allotment made under each ESPS, as at the end of the year :

<i>Particulars</i>	<i>Details</i>
The details of the number of shares issued under ESPS	
The price at which such shares are issued	
Employee-wise details of the shares issued to; (i) senior managerial personnel; (ii) any other employee who is issued shares in any one year amounting to 5% or more shares issued during that year; (iii) identified employees who were issued shares during any one year equal to or exceeding 1% of the issued capital of the company at the time of issuance;	
Consideration received against the issuance of shares, if scheme is implemented directly by the company	
Loan repaid by the Trust during the year from exercise price received	

E. Details related to SAR

- (i) A description of each SAR scheme that existed at any time during the year, including the general terms and conditions of each SAR scheme, including -
 - (a) Date of shareholders' approval
 - (b) Total number of shares approved under the SAR scheme

- (c) Vesting requirements
- (d) SAR price or pricing formula
- (e) Maximum term of SAR granted
- (f) Method of settlement (whether in cash or equity)
- (g) Choice of settlement (with the company or the employee or combination)
- (h) Source of shares (primary, secondary or combination)
- (i) Variation in terms of scheme
- (ii) Method used to account for SAR - Intrinsic or fair value.
- (iii) Where the company opts for expensing of SAR using the intrinsic value of SAR, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of SAR, shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.
- (iv) SAR movement during the year (For each SAR scheme):

<i>Particulars</i>	<i>Details</i>
Number of SARs outstanding at the beginning of the year	
Number of SARs granted during the year	
Number of SARs forfeited / lapsed during the year	
Number of SARs vested during the year	
Number of SARs exercised / settled during the year	
Number of SARs outstanding at the end of the year	
Number of SARs exercisable at the end of the year	

- (v) Employee-wise details (name of employee, designation, number of SAR granted during the year, exercise price) of SAR granted to -
 - (a) senior managerial personnel;
 - (b) any other employee who receives a grant in any one year of amounting to 5% or more of SAR granted during that year; and
 - (c) identified employees who were granted SAR, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.

Disclosures in respect of grants made in three years prior to IPO under each SAR scheme

- (i) Until all SARs granted in the three years prior to the IPO have been exercised or have lapsed, disclosures of the information specified above in respect of such SARs shall also be made

F. Details related to GEBS / RBS

- (i) A description of each GEBS / RBS scheme that existed at any time during the year, including the general terms and conditions of each such scheme, including -
 - (a) Date of shareholders' approval
 - (b) Kind of benefits to be granted under the scheme
 - (c) Beneficiaries of the scheme
 - (d) Total assets of the scheme
 - (e) Quantum of holding in own shares / listed holding company shares (both absolute and in percentage)
 - (f) Whether scheme is in compliance of regulation 26(2)/ 27(3) of the regulations, as applicable
 - (g) Variation in terms of scheme

G. Details related to Trust

The following details, inter alia, in connection with transactions made by the Trust meant for the purpose of administering the schemes under the regulations are to be disclosed:

(i) General information on all schemes

<i>Sl. No.</i>	<i>Particulars</i>	<i>Details</i>
1	Name of the Trust	
2	Details of the Trustee(s)	
3	Amount of loan disbursed by company / any company in the group, during the year	
4	Amount of loan outstanding (repayable to company / any company in the group) as at the end of the year	
5	Amount of loan, if any, taken from any other source for which company / any company in the group has provided any security or guarantee	
6	Any other contribution made to the Trust during the year	

(ii) Brief details of transactions in shares by the Trust

- (a) Number of shares held at the beginning of the year;
- (b) Number of shares acquired during the year through
 - (i) primary issuance (ii) secondary acquisition, also as a percentage of paid up equity capital as at the end of the previous financial year, along with information on weighted average cost of acquisition per share;
- (c) Number of shares transferred to the employees / sold along with the purpose thereof;
- (d) Number of shares held at the end of the year.

(iii) In case of secondary acquisition of shares by the Trust

<i>Number of shares</i>	<i>As a percentage of paid-up equity capital as at the end of the year immediately preceding the year in which shareholders' approval was obtained</i>
Held at the beginning of the year	
Acquired during the year	
Sold during the year	
Transferred to the employees during the year	
Held at the end of the year	

Regulations 16(2) and 23(3) - Disclosure Document**Part A : Statement of Risks**

All investments in shares, options or SARs are subject to risk as the value of shares may go down or go up. In addition, the options/SARs are subject to the following additional risks:

1. Concentration: The risk arising out of any fall in value of shares is aggravated if the employee's holding is concentrated in the shares of a single company.
2. Leverage: Any change in the value of the share can lead to a significantly larger change in the value of the options / SARs.
3. Illiquidity: The options / SARs cannot be transferred to anybody, and therefore the employees cannot mitigate their risks by selling the whole or part of their benefits before they are exercised.
4. Vesting: The options / SARs will lapse if the employment is terminated prior to vesting. Even after the options / SARs are vested, the unexercised options / SARs may be forfeited if the employee is terminated for gross misconduct.

Part B: Information about the company

- 1 Business of the company: A description of the main objects and present business of the company.
- 2 Abridged financial information: Abridged financial information, for the last five years for which audited financial information is available, as prescribed under clause (b) (i) of Section 26(1) of the Companies Act, 2013 as amended or re-enacted from time to time. The last audited accounts of the company shall also be provided unless this has already been provided to the employee in connection with a previous option or SAR grant or otherwise.
- 3 Risk Factors: Management perception of the risk factors for the company (i.e., sensitivity to foreign exchange rate fluctuations, difficulty in availability of raw materials or in marketing of products, cost/time overrun etc.).
- 4 Continuing disclosure requirement: The option or SAR

grantee shall be provided copies of all documents that are sent to the members of the company. This shall include the annual accounts of the company as well as notices of meetings and the accompanying explanatory statements.

Part C : Salient Features of the Scheme

This Part shall contain the salient features of the scheme of the company including the conditions regarding vesting, exercise, adjustment for corporate actions, and forfeiture of vested options / SARs as the case may be. It shall not be necessary to include this Part if it has already been provided to the employee in connection with a previous grant, and no changes have taken place in the scheme since then. If the scheme administrator (whether the company itself or an outside securities firm appointed for this purpose) provides advisory services to the grantees in connection with the exercise of options or SAR, as the case may be, or sale of resulting shares, such advice must be accompanied by an appropriate disclosure of concentration and other risks. The scheme administrator shall conform to the code of conduct appropriate for such fiduciary relationships.
