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SEBI - LODR

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Date

① **LODR** → Listing obligation & Disclosure Requirement

Applicability: Applicable to Listed Entity

→ As per Market Capitalisation → ~~Listed~~ Every Recognised S.E. prepared list of Entities at end of CY

Entity shall Ranked based on Avg. mkt capiti for period → 1 July to 31st Dec of that year

Applied to Listed Entities → whichever is later
- a) After 3 month from 31st Dec (31-3-xx)
- OR
- Beginning of immediate next FY (1-4-xx)

Cease → outside the Ranked ~~Appln~~ for 3 consecutive period → not in Top rank for 3 year contin.
Cease apply to end of FY

SEBI LODR

Composition
- NED ≥ 50% of Board
- Not less than 50% of Board
- ED & NED optimum combination
- WD — At least 1

Independent Director
- Chairperson
  - Executive Director or Related to Promoter ⇓ ≥ 50% of Board should be ID
  - Non-executive Director + Not Related to promoter ⇓ ≥ 1/3 of Board should be ID

Top Listed Company
- Top 2000 listed Co → min 6 Director
- Top 1000 listed Co → at least 1 Independent Women Director
- RMC (Risk mgt committee)
- → NED ≥ 75 yrs (SR + ES)

Age
- 21 – 75

Quorum
- Top 2000 Listed entity ⇓ Higher
- 1/3 of Total Strength or 3 Director
- at least 1 ID

Imp

★ **Maximum No. of Directorship** → Applicable where equity shares listed on RSE

	Max Limit
Can Hold Directorship in Listed entities	7
Independent Directorship in LE	7
If MD/WTD in Any Listed Entity	ID in Max 3 Listed entity

★ Alternate Director Included in this Count

* Compliance officer = CS

* Any Δ in content of website → LE must update content within 2 working day from such change

* Regulation 24 : Corporate Gov w.r.t Subsidiary of Listed Co.

• Material subsidiary

⇓

Subsidiary Income or NW > 20% of Consolidated Income/NW of Listed Entity (previous year)

Significant Tran/Arrangem

⇓

Any Tran > 10% of Total Income / Exp / Asset / L of unlisted Material subsidiary (PY)

i)

ID → Listed co $\boxed{CO_1}$

↓

$\boxed{CO_2}$ unlisted material subsidiary co

① (at lest 1 ID of listed co, must be on Board of UMS)

② Review of FS of subsidiary (AC)

③ minutes of UBC place before BoD of LE

④ UMS infor significant Tran / Arr to L.E

Subsidiary co

⑤ Shareholding

⇓

shareholding fall below 50%.

(or)

Control over subsid cease

$\boxed{GM = SR}$

↓

Exception → same → Exception court / Tribunal scheme IBC (disclose to RSE within 1 day)

⑥ Disposal Asset

⇓

> 20% of Total Asset MS sold / disposed / lease

$\boxed{\text{Prior GM=SR Required}}$

Imp

* Restriction On Committee Memberships

Max committee Membership

↓

Director Must not

- member in > 10 committees
- Chairperson in > 5 committees

across all listed entity where he/she is a Director

Which Committee count

↓

only

- Audit Com
- Stakeholder Relⁿ Commt

Which Company count

↓

only Public Ltd

Listed, unlisted

Exclude

- Pvt co, foreign co
- High value Debt Listed co.

Summary of All Committee (SEBI)

↱ Top 1000 listed entity

	Audit committee	NRC	SRC	RMC
	Apply to only listed co			
of Member	min = 3	At least 3 all NED	min = 3 Director	min = 3 Direct (maj - Director)
of ID	At least 2/3	At least 2/3	At least 1	At least 1
Meeting	At least 4 - Not Gap 120 day	—	—	Not Gap 180 day
Quorum	Higher of 1/3 or 2 member; At least 2 ID	same; At least 1 ID	Not mentioned	Same as per NRC
Add^n point	all member - financial literate; 1 member → financial mgt expertise	CP of co may be Appointed as Member but not Chair NRC	Looks complaint of member	Senior - executive (non-director) May be member

Compliance

→ Exclude date of intimation & meeting

Quarterly Compliance [submit to RSE]

within 21 days from end of each Quarter

- Report on Corporate Governance
- Investor Complaint Statement
- Statement Holding of Securities & SH pattern

within 45 days

- Quarterly & Year to Date Standalone FS (NA to Q4)
- Statement of utilization of Issue proceed (Quarterly)

Q → 14-~~8~~ xx

Prior Intimation to RSE

↓

2 working Days before BOD Meeting

- Proposal of BB
- voluntary delisting shares
- Fund Raising (FPO, ADR)
- Declaration of Dividend
- Declaration of Bonus Securities
- Issue of Convertible Securities

11 working days

- Alteration in Payment of Interest / Add in form of Security

7 wd prior to Record Date

- Dividend
- Right Or Bonus issue
- Conversion Debenture

Annual Compliance

↓

within 60 days ~~from end of FY~~

- Audited SFS for FY
- Audit Report
- Annual Report

RSE ← → Co. website

SEBI - ICDR - Issue of Capital & Disclosure Requirement

- Public Issue
  - → IPO → unlisted compy issue securities for public subscription
  - → FPO → by listed co to the public for subscription

- Right Issue by listed Issue [value > 50 cr]

- Reference Date
  - → Date of filing Draft offer docu → SEBI
  - → Date of filling offer docu → ROC

- Entities **Not eligible** to make IPO/FPO
  - Debarred entity ⇓ issuer, Promoter/Director, Selling SH — are debarred from accessing capital mkt by SEBI
  - Link with Debarred co. ⇓ Promoter/Director
    - debarred co. — $\boxed{CO}$ — P/D → $\boxed{CO2}$ IPO ✗
  - wilful defaulter/Fraudulent Borrower ↓ Issuer, P/D
  - Fugitive economic offender (FEO) ⇓ Promoter/Director ~~FEO~~

Not apply to entity who were debarred by SEBI, but Period of Debarment is completed, on date of filing Draft Docu to SEBI

(*) Issuer not Eligible - IPO

→ o/s convertible securities

→ o/s Right Entitlement at time of filing OD

Exception

→ outstanding ESOP

→ Fully paid up o/s convertible securities, which are convertible on or before of filling prospectus

SEBI - ICDR

Condition	IPO	FPO
1] Eligibility on financial criteria — 3 Yrs Track Record	(NIA, if IPO entirely offer for sale) a) Net Tangible Asset ≥ 3 crore → Monetary Asset ≤ 50% of NTA → > 50% in Monetary Asset — Excess: Utilised / or / from commit utilised for Business/project	X
Calculated on Restated & consolidated basis each preced 3 years	b) Avg. Operating Profit ≥ 15 crore — Last 3 FY	X
	c) Net worth ≥ 1 crore — Last 3 FY	X
⊕ Superior Right eq shares — P, D, ordinary share to IPO. Subscrib: 1) Tech based Business 2) NW SH ≤ 1000 cr 3) ?? SR 4) at least ≥ 3 m prior to RHP. 5) VR — min - 2:1, max - 10:1 5) FV = SR eq sh = ordinary shares	d) Change of Name → ≥ 50% of Revenue in Last 1 Yrs must come from New Name Not Satisfied ⇓ Book Building Process → Allot At least 75% to QIB	Applicable
2] Pre IPO/FPO Requirement	→ Application to 1 or more RSE, 1 chose as Designated SE → All Securities by Promoters must be in Demat form → Before fill OD → All partly paid up share — fully paid or forfeited → firm arrangement of finance — at least 75% of Stated project	SAME
3) General Corporate Purpose (GCP)	Not exceed 25% of total Amt Raised	SAME

Debt for Finnay ↓ Not permitted (Even) < 18 month

Conversion of optionally Convertible Debt Instrument → OCD ≥ 10 Crore

Deposit — 1% of Issue size

Condition	IPO	FPO
4] General Corporate Purpose (GCP) + objects Co not Identified Acq/Invest	Max 35% of Total Issue size	SAME
5) Offer for Sale	Must be Fully Paid up & Held > 1 years as on filling Draft Offer N.A. (1yrs holding) → Held by (Govt Co., Statutory Auth, SPV); → Bonus Issue; → HC / Tribunal	SAME
Add^n Cond - OFS	SH Holdg > 20% pre-issue — offer upto 50% SH Holdg < 20% pre issue — offer upto 10% pre issue	
* Convertible Debt Instrument — (1) Credit rating (2) Deb Trustee (3) DRR	Issuer Not made Debt Instrument Default for > 6M (Principle, Int)	
5] Warrant < 25% of Cap price	Max tenure — 18 month - 25% of TC must be Recived upfront Need to be exercise with 3M from DOP other wise Amt forfeited	Same
6) Promoter Contribution (Post issue)	Promoter Must Hold At Least 20% of Post Issued Capital * Shortfall → 10% of post issued by AIF, VC, SCB, PFI, IRDA	Same → Cond^n Not satisfied Not Apply if foll^n Cond^n apply a) Eq shares frequently Traded on SE for At Lest 3 yrs preceding Reference date i) Issuer Readress 95% Investor complaints ii) Compliant with SEBI Law for min 3 yrs
Timing	1 day prior to Issue opening IF min Cont > 100 cr — 100 cr contributed before Issue opening & Bal on Pro-rata	Same

Record Date / Certification → to Statutory Agent and CSO

Cond

LOCK / Rest

security lent to Stabilising Agent and GSO (N.A.)

Pledge → i.e. 3 yrs Lock in / 18 m Lock in } Base on Lock in Period

Discount on price → Not more than 10% of Price.

Condition	IPO	FPO
Lock in & Restriction on Transferability → Transferable – Promoter to Promoter – Non-Promoter to Non-Promoter – Promoter to Promoter Group – Promoter to New Promoter	Securities Held by Promoter a) min contribution ≥ 20% ↳ Lock in 18m from date of IPO ↳ Lock in 3 years → If IPO proceeds used for Capex b) Excess Promoter Holding → > 20% ↳ Lock in 6m from date of allotment ↳ Increased to 1 yrs → used for Capex	Same
Lock in for Non-Promoter Pre Issue capital	6m from date of allotment in IPO N.A. → ESOP → ESOT → VCF/AIF → 6m Lock in from date of purchase	
SR equity share → Lock in w.i. Later a) Conv into OR equity share ~~b) period specified above (18m/3yrs/6m)~~ → Not-Transferable		
Pricing Floor price/price band not Disclosed in RHP → Issuer shall Announce it at least 2 day before issue open	→ Max. value – ≤ 120% of Floor price ↳ min value – ≥ 105% of Floor price	Same
• Opening of issue	public Issue shall be opened within 12 M from date of Issuance by SEBI	Same
• Minimum Subscription	AT least 90% of offer size If not Reached Refund within 4 days	Same
• Period of Subscription	Open for min – 3 max – 10 days Extention – 3 days → within 10 day	

Post Issue — Green shoe option
max securities to borrow → 15% of issue size
Stabilisation period → not exceed 30 days
Surplus → IPEF.

Registry → 3 yrs

Condition	IPO	FPO
Minimum Application value	10,000 – 15,000	Same
manner of calls ↳ o/s cal money → within 12 M from allotment Date		Same
Minimum allotment	Allottee < 1000 in public size	Same
Delay in Allotment / Refund	Issuer shall pay Interest @ 15% p.a.	Same
Post issue Advertisement ↳ Hindi/English/Vernacular Newspaper	within 10 days of Completion	Same
Disclosure in Draft offer Docm & offer Docm LM → Insure → Info not older than 6m		

Financial criteria Satisfied (profit/NW/TA) without name change

- RII → < 35%
- NII → < 15% (value: 1/3 → 2–10 Lakh; 2/3 → > 10 Lakh)
- QIB → > 50% ↳ 5% to MF

Allocation in Net Offer — Book Building Process

- RII → max 10%
- NII → max 15%
- QIB → min 75% ↳ 5% MF

Anchor Investor → upto 60% of QIB

Condition for Reservation

a) employee → Max 5% of post issue → 2 Lakh per ee

existing SH → Max 10% of Issue size

LM — Lead mgr submit Report within 7 days of → finalisation of Basis of Allotment; Refund of money if Issue fail

(*) Monitoring Agency :- Issue size 7100 Cr
(MA) then Issuer shall Appoint MA

NIA
Bank PFI Insurance Co.

Submit Report to Issuer on Quarterly Basis
till issue is completed

• Issuer shall within 45 days from end of Quarter upload to it's website

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(*) Person Acting in Concert (PAC)
A → share → acquire → agreement or understanding → (formal/informal/direct/indirect)
VR
control

SEBI - SAST, 2011 (Substantial Acq)
→ Acquirer → Acquire the Co. — Zomato
→ Target co. — Blinkit → diverse co., share Trf

(*) Deemed person Acting in Concert

- Holding
- Company
- Subsidiary
- Associate
- H/A/S } Director

Director/promoter of company
→ Immediate Relative

- MF
- CIS
- VC
- Merchant Banker
- Portfolio mgr
- Bank, financial Adv, stock Broker
- Promoters & member of Promoters Grp

(*) Substantial Acq of shares / voting Rights

Acquires

Post Acquisition Holding ≥ 25% ⇓ Open offer Atleast made, unless a public Announcement

Creeping Acq: All ready Holding ≥ 25% but + acquire < 5% VR in FY without open offer ⇓ > 5% → Open offer Required

(*) For Innovators Growth platform → 25 → 49%
(IGP)

Disclosure

Initial Disclosure on Crossing 5% Threshold
⇓
Acquirer along with PAC
Acq shares / VR in TC
> 5% or more
→ Incremental Growth Platform
↳ 10%

Disclosure Subsequent Changes
⇓
Person Holding 5% or more shares / VR
Disclose
→ No of share
− Δ insH

Time limit & Disclosure
⇓
Disclosure Must be made within 2 working days of
Receipt of intimation of allotment / Acq or disposal of shares / VR
To
① SE of TC are listed
② R.O. of TC

FS Result
Dividend
Δ in Capital structure
Δ in KMP
merger / demerger / Acq / delisting / expansion

SEBI – Insider Trading

→ Insider
→ Connected person
or
In possession of or Having Access to UPSI

(*) **UPSI** → Non-Public Information Relating to company or its securities which likely to materially affect price of securities.

(*) **Connected person** → Any Person who, in 6 month prior to Concerned Act has been Associate with company in any Capacity
→ officer
→ EE / Contractor / officer
→ Professional / Business Rel

deemed Connected persons →
a) Relative* of Connected person
b) Holding / Subsidiary / Associate
c) Intermediary under SEBI or ee / Director
d) Investment Co / Trustee / Asset mgt Co
e) Official of SE
g) Banker
h) member / ee → MF / AMC, PFI

(*) **Relative**

mother, father
Sister ← Himself → Brother
son, daughter
mother, father (of wife)
wife → B/S
financial Dependent on
Or Consults such person for decisions related Securities Trading

BoD of Listd Co. , Policy

(*) Legitimate Purpose policy → Legitimate Purpose

→ Sharing UPSI in OCOB with
→ Partner, Lender, Supplier
→ Insolvency Prof / Consultant
→ Merchant Bankers, Legal, Auditors

Listd Co.

- Structured Digital Data Base → Recording
  → Name of UPSI Share
  → PAN of person Share UPSI
  → Received UPSI person

↓

DB provided by 3rd party vendor (with/os Indi) Consider As outsourc

⇓

Not allowed

Preserved for Minimum 8 years after Compl of Rel Tran

- Trading when in possess of UPSI
  ↓
  Prohibits → Insider Trading
  ↓
  Exception
  - Off mkt Inter-se Transfer → CO → Discloser (UPSI) ⟷ Discl (UPSI) ✓
  - Block deal window mechanism
  - Regulatory/Statutory Req
  - exercise of stock option (ESOP)
  - Non-Individual Insider
  - Trading Plan → Pre-approved plan ⇓

(*) Trading Plan
↳ Insider may plan & present to Compliance officer [C
for Approval & Public disclosure

→ Trading Plan Must not start Earlier 120 Calender Days from Date of Public Disclosure

Insider ↓ 120 X

Price limit
- Buy Trade → upto 20% Higher than such closing price
- Sell Trade → upto 20% Lower than closing Pr

| Trady plan T-1 | Clasy price

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→ Power to CG to supersed Bord → Not > 6 month

→ SEBI must Submit Annul Report within 90 day of end of FY to CG

(*) Trading Plan → fail
↓
Insider intimate to Compliance officer within 2 Trading day

IS —2 day→ CO → Audit Comte → Accept / Reject
CO → RSE
Compliance officer

Reject ↓
Complience officer shall Take Appropriate Action under code of conduct

(*) Disclosure of Trading by Insiders
Co. maintain there Disclosure for Minimum 5 years

SEBI ACT, 1992

SEBI Bord → 8 member

- Chairperson ↓ Nom → by CG
- 2 member ↓ Officer from ministry
- 1 member ↓ RBI
- 5 member ↓ Nom by CG
  → 3 must be Whole Time Member

Duration → 5 yrs
Re-app → eligible
max age → 65 yrs

Removal of member
→ CG → Authority → only after order of SC
→ Removal after give OBH

CG → Right to Terminate
Chairperson, 5 member

a) Notice of ≥ 3 month writing
or b) 3 month salary in Lieu

SEBI can inspection

Attach < 90 day - Bank A/c or Property

> 90 days → obtain confirmation of SPC.

⊛ Collective Investment Scheme (CIS).

→ contribution made by Investor are Pooled & Utilised Purposed of Scheme Management

→ Contribution by Investor Receive → Profit / → Income / → Produce / → Property

Not CIS

- Co-operative	- Pension scheme /	- Contract of Insurance
- NBFC	Insurance scheme	- Subscription to mutual fund
- Nidhi Bank	EPF & misc	- Deposit under Co-Act
- chit Business	- other Notified CG	

⊛ Deemed CIS → Any Pooling of fund by S&A, which

→ Not Register with SEBI & not Cover in exp $\frac{}{}$ ⅔

→ Corpus Amt ₹100 Crore or More.

⊛ SEBI can keep DOCM upto 6m or extended → for custody

⊛ SEBI General fund

Debit	Credited
- Salary & Remi - offices / - ee / - members	all Grant
	all fees & charges
	all sum other sources
- Purpose / object	

Audit by CAG

- Audit exp borne by SEBI
- Audit Report → CG

⊛ All penalty to be credited to → Consolidated fund of India

* settlement →

Total Settlement Amt	xxx
IPEF ← (-) Disgorged Amt	(xx)
(-) Legal cost	(xx)
	xxx → is to

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SEBI to order Investigation → Non compliance by person → Jail 1 yr or 10 Rs 1 Lakh per day / Rs 1 Lakh per day

fail → Book/TRA, After before IA; → Sig, of notes

Penalty

15A → fail → return, Book, DXN
15B → fail aggrement
15C → fail Redress grievance
15D → COR, fail the COR.

min → ₹ 1 Lakh + 1 Lakh/day
Max → 1 crore

15E – fail to comply Regn
15EA – Alter invst fund, Infrastructure, Real estate
15EB ↳ Investment adviser/ Research Analyst

15EA → min → ₹ 1 lakh – ₹ 1 Lakh per day
Higher ₹ 1 crore or 3x gain

15F → Stock Brokes → fail → Contract Note, delive Secu, Excs brokes
- ₹1 lakh to 1 crore
- ₹1 Lakh, 1 Lakh/per day, Max/ for
- 1 Lakh up to 5x Excess Amt → 5 times, slab

15G → Insider Trading • deals in UPSI
min = 10 Lakh
Max – Higher 25 Cr or 3x Profit made

15H
Fail to make
– open offer
– Disclose
– SH, Pof consilution
min = 10 Lakh
max (Higher) 25 cr or 3x profit made

15HA
Fradulent & Unfair Trade Practice
Price manipulation
min = 5 Lakh
max – Higher of
– 25 cr
– 3x Profit made

15HAA
Cyber IT
damaging SEBI system
min = 1 Lakh
max (Higher of)
– 10 cr or
– 3x Profit

XBRL → AOC-4

Applicable
1) Listed Co → Subsidiary
2) ~~Stated~~ PC ≥ 5 cr
3) T/O ≥ 100 cr
4) Ind AS Follow co

Exclude
1) NBFC
2) Banking
3) Insurance
4) Housing finance

GNL-1 – To make Co. Active

SAT –

Tenure . 5 yrs
Re-appt → Max 5 yrs
Age – 70 yrs

PO
- Judge of SC or
- Chief Just HC
- Judge of HC > 7 yrs of exp

JM
- Judge of HC ≥ 5 yrs of exp

TM
either
- IAS offr ≥ 15 yrs of exp
- Secy of min/ Addl Secy CG dept

Appoint → CG

Appoi → Search Cum Selection Committee
CP → presidg officer SAT
3 member ← eco, fina, legal

Remove → CG
- 3 m notice
- expiry of Tenure
- person disqualif
- or mis conduct

Any Aggrieved person
AO / IRD / PPR

→ within 45 (extended) → SAT → 60 + 60 days → SC (If Que of law)

SAT → disposed appl within 6M

CG Supersed Board → Max 6M

Annual Report → lay within 90 days of End of FY

Special Court → Speedy Trial → SEBI Act
Special Court → CG notified
Special Court → all offence under SEBI Act

Composi
Single Judge Appoint by CG ← chief Justice HC
Quali (Session Judge or Addn Ses Judge)