



Relaxation from certain statutory compliance requirements issued by SEBI and MCA amid COVID 19 pandemic

SEBI:

The Securities and Exchange Board of India (“SEBI”) has issued a circular dated March 19, 2020, (the “LODR Circular”) in view of the coronavirus (“COVID-19”) pandemic, to temporarily relax the timelines for certain compliance requirements under the SEBI (LODR) Regulations 2015 (the “Listing Regulations”) to listed entities, with immediate effect.

MCA:

The Ministry of Corporate Affairs (“MCA”) has also relaxed requirements with respect to holding of board meetings with physical presence of directors to companies by way of the notification dated March 19, 2020 (the “MCA Notification”) with immediate effect.

Snapshot of the relaxations:

LODR Circular – Extension for certain filings timelines and compliance requirements under the Listing Regulations:

S. No.	Applicable regulatory requirements	Filing/compliance timelines	Extension
1.	Regulation 7 on compliance on share transfer agent to be submitted to stock exchanges within 1 month of completion of each of half of the financial year.	Currently applicable as of April 30, 2020.	For a period of 1 month i.e., until May 31, 2020
2.	Regulation 13 on statement in relation to grievance redressal mechanism to be submitted to stock exchanges within 21 days from end of each quarter.	Currently applicable as of April 21, 2020.	For a period of 3 weeks approximately, i.e., until May 15, 2020.

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3.	Regulation 24(A) read with circular No CIR/CFD/CMD1/27/2019 dated February 8, 2019 relating to submission of secretarial compliance report to stock exchanges within 60 days from the end of the financial year.	Currently applicable as of May 30, 2020.	For a period of 1 month i.e., until June 30, 2020.
4.	Regulation 27 on submission of quarterly compliance report on corporate governance to stock exchanges within 15 days from the end of the quarter.	Currently applicable as of April 15, 2020.	For a period of 1 month i.e., until May 15, 2020.
5.	Regulation 31 on submission of shareholding pattern on quarterly basis to stock exchanges at the end of each quarter within 21 days from the end of the quarter.	Currently applicable as of April 21, 2020.	For a period of 3 weeks i.e., until May 15, 2020
6.	Regulation 33 on submission of quarterly results within 45 days from the end of the quarter and year-end results within 60 days from the end of financial year.	Quarterly results: Currently applicable as of May 15, 2020	Quarterly results: For a period of 45 days i.e., until June 30, 2020.
		Annual results: Currently applicable as of May 30, 2020	Annual results: For a period of 1 month i.e., until June 30, 2020.
7.	Regulation 17(2) stipulates the board of directors to meet at least 4 times a year with a <u>maximum time gap of 120 days</u> between two meetings and Regulation 18(2) (a) stipulates audit committee to meet at least 4 times a year with a <u>maximum time gap of 120 days</u> between two meetings.	-	Board of directors and audit committees <u>exempted from complying with maximum time as stipulated between 2 meetings held/to be held from December 1, 2019 until June 30, 2020.</u> Such meetings of the board of directors and audit committees to be held 4 times a year.

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MCA Notification – Relaxation on requirements with respect to meetings of the board of directors under Companies Act, 2013 and rules thereunder:

The MCA has amended Rule 4 of the Companies (Meetings of Board and its Powers) Rules, 2014, to provide for Board meetings to be held through video conferencing or other audio visual means in accordance with Rule 3 from March 19, 2020 till June 30, 2020, in relation to the following matters:





Client Updates

- approval of annual financial statements;
- approval of the board's report;
- approval of prospectus;
- audit committee meetings for consideration of financial statements including consolidated financial statements, to be approved by the board of directors; and
- approval of matters relating to amalgamation, merger, demerger, acquisition and takeover.

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