

**SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) (AMENDMENT)
REGULATIONS, 2026**

BACKGROUND:

Securities and Exchange Board of India (SEBI) has issued notification No. SEBI/NRO-GN/2026/295 dated **20th January 2026** to further amended the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”). These regulations may be called the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2026 (“Amended Regulation”).

EFFECTTIVE DATE:

This amendment shall come into force on the date of their publication in the Official Gazette i.e., **22nd January 2026**.

Refer below links for notified amendment:

SEBI (LODR) (Amendment) Regulations, 2026 dated **20th January 2026**: [https://egazette.gov.in/\(S\(lvg14nnp3df3c1ykycq12ree\)\)/ViewPDF.aspx](https://egazette.gov.in/(S(lvg14nnp3df3c1ykycq12ree))/ViewPDF.aspx)

KEY HIGHLIGHTS OF THE AMENDMENT:

1. The threshold limits for High-Value Debt-Listed Entities (HVDLEs) have been changed from INR 1,000 Crore to INR 5,000 Crore.
2. Listed entities are required to effect credit of securities promptly in response to investor service requests.
3. Securities held in physical form prior to April 1, 2019, may be registered subject to conditions specified by the Board.
4. Corporate Governance norms for HVDLEs has been aligned with equity listed entities.
5. The word “financial” has been inserted before “year”.
6. Provisions relating to related party transactions do **not apply** to transactions between two wholly owned subsidiaries of an HVDLE.

For details of amendment, please find below our comparative analysis:

COMPARATIVE VIEW OF AMENDMENTS IN LODR VIDE AMENDMENT REGULATIONS, 2026

BEFORE AMENDMENT	AFTER AMENDMENT	AMENDMENT	ACTIONABLE
<p><u>Regulation 15</u></p> <p><u>Applicability</u></p> <p><u>Regulation 15(1A)</u></p> <p>The provisions of this regulation and regulation 16 to regulation 27 of this chapter shall apply to a listed entity which has listed its non-convertible debt securities and has an outstanding value of listed non-convertible debt securities of Rupees One Thousand Crore and above:</p> <p>Provided that in case the value of the outstanding listed non-convertible debt securities becomes equal to or greater than the specified threshold of Rupees One Thousand Crore during the course of the year, a high value debt listed entity shall ensure compliance with these provisions within six months from the date of such trigger, and the disclosures of such compliance may be made in the corporate governance compliance report on and from the third quarter following the date of the trigger:</p>	<p><u>Regulation 15</u></p> <p><u>Applicability</u></p> <p><u>Regulation 15(1A)</u></p> <p>The Provisions of this regulation and regulations 16 to 27 of this Chapter shall apply to a listed entity which has listed its non-convertible debt securities of Rupees and has an outstanding value of listed non-convertible debt securities of Rupees Five Thousand Crore and above:</p> <p>Provided that in case the value of the outstanding listed non-convertible debt securities becomes equal to or greater than the specified threshold of Rupees Five Thousand Crore during the course of the year, the high value debt listed entity shall ensure compliance with these provisions, within six months from the date of such trigger, and the disclosures of such compliance may be made in the corporate governance compliance report on and from the third quarter, following the date of the trigger:</p>	<p>In order to reduce the compliance burden on mid-sized debt issuers and to ensure ease of doing business, SEBI has increased the threshold limit for identification of HVDLEs from INR One Thousand Crore to INR Five Thousand Crore.</p> <p>Further, the cut-off date criteria of March 31, 2021 for determining the high value debt listed entities as specified in the explanation has been omitted.</p>	-

<p>Explanation (2)- The ‘high value debt listed entities’ on the date of notification of this amendment would be determined on basis of value of principal outstanding of listed debt securities as on March 31, 2021.</p>	<p>Explanation (2) – Omitted</p>		
<p><u>Regulation 15</u></p> <p><u>Applicability</u></p> <p><u>Regulation 15(1AA)</u></p> <p>Notwithstanding anything contained in sub-regulation (3) of regulation 3, once the regulation 15 to 27 become applicable to a ‘high value debt listed entity’, the said regulations continue to apply till value of the outstanding listed debt securities as on March 31 in a year, reduces and remains below the specified threshold for a period of three consecutive financial years</p>	<p><u>Regulation 15</u></p> <p><u>Applicability</u></p> <p><u>Regulation 15(1AA)</u></p> <p>Notwithstanding anything contained in sub-regulation (3) of regulation 3, once regulations 15 to 27 become applicable to a ‘high value debt listed entity’, the said regulations shall continue to apply till the value of the outstanding listed debt securities as on March 31 in a year, reduces and remains below the specified threshold for a period of three consecutive financial years.</p> <p>Provided that the provisions of this sub-regulation shall not be applicable to entities which cease to be classified as HVDLEs in terms of the revised threshold as per Regulation 15(1A).</p>	<p>By insertion of the proviso, SEBI has exempted entities which cease to be classified as HVDLEs pursuant to the revised threshold under Regulation 15(1A) from the requirement to comply with Regulations 15 to 27 for a period of three consecutive financial years.</p> <p>To simplify compliance for entities that will no longer be classified as HVDLEs based on revised threshold and to align with the goal of easing compliance burden on such entities, SEBI rescind continuous applicability with CG norms for entities which cease to be classified as HVDLEs in terms of revised threshold.</p>	<p>This is to clarify that the exemption provided under the proviso shall be available only to HVDLEs having an outstanding value of listed debt securities of INR 1,000 crore or above and which cease to be classified as HVDLEs pursuant to the increase in the threshold limit.</p> <p>Further, where the outstanding value of listed debt securities of an HVDLE falls below INR 5,000 crore, the said exemption shall not be available to such HVDLE.</p>

<p><u>Regulation 39</u></p> <p><u>Issuance of Certificates or Receipts/Letters/Advises for securities and dealing with unclaimed securities.</u></p> <p><u>Regulation 39(2)</u></p> <p>The listed entity shall effect issuance of letter of confirmation or receipts or advices, as applicable, of subdivision, split, consolidation, renewal, exchanges, endorsements, issuance of duplicates thereof or letter of confirmation or receipts or advices, as applicable, in cases of loss or old decrepit or worn out certificates or receipts or advices, as applicable, in dematerialised form within a period of thirty days from the date of such lodgement.</p>	<p><u>Regulation 39</u></p> <p><u>Issuance of Certificates or Receipts/Letters/Advises for securities and dealing with unclaimed securities.</u></p> <p><u>Regulation 39(2)</u></p> <p>The listed entity shall effect credit of securities pursuant to investor service requests in relation to subdivision, split, consolidation, renewal, exchanges and issuance of duplicate securities on account of loss or old decrepit or worn-out certificates in dematerialised form within a period of thirty days from the date of receipt of such request along with relevant documents.</p>	<p>In order to simplify the process of dematerialisation of securities, SEBI has removed unnecessary intermediate step and provide convenience to the investors by removing the process of issuance of LOC.</p>	<p>Now, the listed entity shall effect credit of securities in dematerialised form, in relation to subdivision, split, consolidation, renewal, exchange, or issuance of duplicate securities on account of loss or old, decrepit or worn-out certificates, within 30 days from the date of receipt of the investor service request.</p>
<p><u>Regulation 40</u></p> <p><u>Transfer or transmission or transposition of securities.</u></p> <p><u>Regulation 40(1)</u></p> <p>Save as otherwise specified in provisions of securities laws or Companies Act, 2013 and rules made thereunder, the listed entity shall also comply with the requirements as</p>	<p><u>Regulation 40</u></p> <p><u>Transfer or transmission or transposition of securities.</u></p> <p><u>Regulation 40(1)</u></p> <p>Save as otherwise specified in provisions of securities laws or Companies Act, 2013 and rules made thereunder, the listed entity shall also comply with the following requirements:</p>	<p>For ease of investing and enable the investors to get their physical securities transferred in their name and subsequently dematerialised the subjected shares who has executed the transfer deeds prior to deadline of April 01, 2019.</p>	<p>-</p>

<p>specified in this regulation for effecting transfer of securities:</p> <p>Provided that requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialised form with a depository:</p> <p>Provided further that transmission or transposition of securities held in physical or dematerialised form shall be effected only in dematerialised form.</p>	<p>a) The requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialised form with a depository</p> <p>b) Transmission or transposition of securities held in physical or dematerialised form shall be effected only in dematerialised form</p> <p>Provided that nothing contained in clause (a) shall prevent the registration of transfer of securities executed before April 01, 2019 and still held in physical form subject to such conditions as may be specified by the Board.</p>		
<p><u>Regulation 61A</u></p> <p><u>Dealing with unclaimed non-convertible securities and benefits accrued thereon.</u></p> <p><u>Regulation 61A(3)</u></p> <p>Any amount transferred to the escrow account that remains unclaimed for seven years shall be transferred to the 'Investor Education and Protection Fund' constituted in terms of section 125 of the Companies Act, 2013:</p>	<p><u>Regulation 61A</u></p> <p><u>Dealing with unclaimed non-convertible securities and benefits accrued thereon.</u></p> <p><u>Regulation 61A(3)</u></p> <p>The amount transferred to the escrow account that remains unclaimed and unpaid shall be transferred to the 'Investor Education and Protection Fund' in accordance with section 125 of the Companies Act, 2013 and rules made thereunder:</p>	<p>SEBI has provided clarity for the listed entity which doesn't fall in definition of "Company" that the amount in the escrow account that remains unclaimed and unpaid related to non-convertible securities and benefits accrued thereon for a period of seven years from the maturity date of the non-convertible securities shall be transferred to the Investor Protection and Education Fund created by the Board.</p>	<p>-</p>

<p>Provided that for listed entities which do not fall within the definition of “company” under the Companies Act, 2013 and the Rules made thereunder, any amount in the escrow account that remains unclaimed for seven years shall be transferred to the Investor Protection and Education Fund created by the Board in terms of section 11 of the Act:</p> <p>Provided further that the amount transferred to the Investor Protection and Education fund shall not bear any interest.</p>	<p>Provided that for listed entities which do not fall within the definition of “company” under the Companies Act, 2013 and the Rules made thereunder, the amount in the escrow account that remains unclaimed and unpaid for a period of seven years from the maturity date of the non-convertible securities, shall be transferred to the Investor Protection and Education Fund created by the Board in terms of section 11 of the Act:</p> <p>Provided further that the amount transferred to the Investor Protection and Education fund shall not bear any interest.</p>		
<p><u>Regulation 62C</u></p> <p><u>Applicability</u></p> <p><u>Regulation 62C(1)</u></p> <p>The provisions of this chapter shall apply to a listed entity which only has non - convertible debt securities listed, with an outstanding value of Rupees One Thousand Crore and above and does not have any listed specified securities.</p> <p>Explanation (1):- The ‘high value debt listed entities’ shall be determined on basis</p>	<p><u>Regulation 62C</u></p> <p><u>Applicability</u></p> <p><u>Regulation 62C(1)</u></p> <p>The provisions of this chapter shall apply to a listed entity which only has non - convertible debt securities listed, with an outstanding value of Rupees Five Thousand Crore and above and does not have any listed specified securities.</p> <p>Explanation (1): - The ‘high value debt listed entities’ shall be determined on the</p>	<p>SEBI has revised the threshold limit applicable to listed entities that have only non-convertible debt securities listed, to INR 5,000 crore and above.</p> <p>Further, the cut off date of March 31, 2025 for taking the value of principal outstanding of listed debt securities is also omitted.</p>	<p>HVDLE shall ensure compliance with the revised threshold limit, which has now been increased to INR 5,000 crore.</p> <p>Earlier, the ‘high value debt listed entities’ would be determined on basis of value of principal outstanding of listed debt securities as on March 31, 2025,</p>

<p>of value of principal outstanding of listed debt securities as on March 31, 2025, irrespective of the date of notification of this amendment.</p>	<p>basis of value of principal outstanding of listed debt securities as on the date of notification of this amendment.</p>		<p>however, after the amendment, the 'high value debt listed entities' would be determined on basis of value of principal outstanding of listed debt securities as on date of the amendment.</p>
<p>Proviso to Explanation (2): -</p> <p>Provided that in case the value of the outstanding listed non-convertible debt securities becomes equal to or greater than the specified threshold of Rupees One Thousand Crore during the financial year, it shall ensure compliance with these provisions within six months from the date of such trigger and the disclosures of such compliance may be made in corporate governance compliance report on and from third quarter, following the date of the trigger.</p>	<p>Proviso to Explanation (2): -</p> <p>Provided that in case the value of the outstanding listed non-convertible debt securities becomes equal to or greater than the specified threshold of Rupees Five Thousand Crore during the financial year, it shall ensure compliance with these provisions within six months from the date of such trigger and the disclosures of such compliance may be made in the Corporate Governance Compliance Report on and from the third quarter, following the date of the trigger.</p>		
<p><u>Regulation 62C(2)</u></p> <p>Notwithstanding anything contained in sub-regulation (3) of regulation 3, once the provisions of this Chapter become applicable to a 'high value debt listed entity', the said regulations shall continue apply till the value of the outstanding listed debt securities as on March 31 in a year, reduces and remains below the specified threshold for a period of three consecutive financial years.</p>	<p><u>Regulation 62C(2)</u></p> <p>Notwithstanding anything contained in sub-regulation (3) of regulation 3, once the provisions of this Chapter become applicable to a 'high value debt listed entity', the said regulations shall continue to apply till the value of the outstanding listed debt securities as on March 31 in a year, reduces and remains below the specified threshold for a period of three consecutive financial years.</p>		<p>To simplify compliance for entities that will no longer be classified as HVDLEs based on revised threshold and to align with the goal of easing compliance burden on such entities, SEBI rescind continuous applicability with CG norms for entities which cease to be classified as HVDLEs in terms of revised threshold.</p>

<p>Explanation: —The provisions of this sub-regulation shall become applicable with effect from April 01, 2025.</p> <p>No such proviso</p>	<p>Explanation: —The provisions of this sub-regulation shall become applicable with effect from April 01, 2025;</p> <p><u>Inserted proviso-</u></p> <p>Provided that the provisions of this sub-regulation shall not be applicable to entities which cease to be classified as HVDLEs in terms of revised threshold as per Regulation 62C(1).</p>		
<p><u>Regulation 62D</u></p> <p><u>Board of Directors</u></p> <p><u>Regulation 62D(2)</u></p> <p>No HVDLE shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect, in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such a person.</p> <p>No such proviso</p>	<p><u>Regulation 62D</u></p> <p><u>Board of Directors</u></p> <p><u>Regulation 62D(2)</u></p> <p>No HVDLE shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect, in which case the Explanatory Statement annexed to the notice for such motion, shall indicate the justification for appointing such a person.</p> <p>Provided that HVDLE shall ensure compliance with this sub-regulation at the time of appointment or re-</p>	<p>In order to align with the amendments made for equity listed entities under Chapter IV of the LODR Regulations on December 13, 2024, SEBI has clarified that prior approval of shareholders by way of special resolution would be required before the director crosses the age of 75 years.</p> <p>Further, in case of liable to retire by rotation, if the non-executive director has attained the age of 75 years then special resolution is to be passed at the time of reappointment at the AGM</p>	<p>Ensure to take prior approval by Special resolution before the appointment / re-appointment of such non-executive director and if any non-executive director has already attained the age of 75 years and being liable to retire by rotation offers himself /herself for reappointment at AGM, then the HVDLEs has to pass the special resolution for such re-appointment.</p>

	<p>appointment or any time prior to the non-executive director attaining the age of seventy-five years.</p>	being liable to retire by rotation.	
<u>Regulation 62D(3)</u>	<p><u>Regulation 62D(3)</u></p> <p>The HVDLE shall ensure that approval of shareholders for appointment or re-appointment of a person on the board of directors or as a manager is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier:</p> <p>Provided that a public sector company shall ensure that the approval of the shareholders for appointment or re-appointment of a person on the board of directors or as a Manager is taken at the next general meeting:</p> <p>Provided that the time taken to obtain the approval of regulatory, government or statutory authorities, wherever applicable, shall be excluded for the purposes of this clause:</p> <p>Provided further that a public sector company shall ensure that the approval of the shareholders for appointment or re-appointment of a person on the board of directors or as a Manager is taken at the next general meeting:</p> <p>Provided further that the requirements specified in this clause shall not be applicable to appointment or re-appointment of a person nominated by a</p>	<p>The timeline of three months is provided to listed entities for appointment or re-appointment of a person on the board of directors or as a manager.</p> <p>In order to align with the amendments made for equity listed entities under Chapter IV of the LODR Regulations on December 13, 2024, the time taken for obtaining specific approval from the regulatory, government or statutory authorities with respect to such appointment is excluded where the appointment cannot be made without such approvals.</p> <p>Further, the requirement of obtaining the shareholder's approval in terms of said regulation for the nominees of financial sector regulators or directors nominated by Court / Tribunal or director</p>	<p>Those HVDLEs which requires regulatory approvals for appointment of directors or manager shall be benefited from the amendment.</p>

	<p>financial sector regulator, Court or Tribunal to the board of the HVDLE:</p> <p>Provided further that the requirement specified in this regulation shall not be applicable to a director nominated by a debenture trustee registered with the Board under a subscription agreement for the debentures issued by the HVDLE:</p>	<p>nominated by a debenture trustee registered with the Board under a subscription agreement shall not be applicable.</p>	
<u>Regulation 62D(5)</u> Any vacancy in the office of a director shall be filled by the listed entity at the earliest and in any case not later than three months from the date of such vacancy: Provided that if the HVDLE becomes non-compliant with the requirement under sub-regulation (1) of this regulation, due to expiration of the term of office of any director, the resulting vacancy shall be filled by the listed entity not later than the date of such office is vacated: Provided further that this sub-regulation shall not apply if the HVDLE fulfils the requirement under sub-regulation (1) of this regulation without filling the vacancy.	<u>Regulation 62D(5)</u> Any vacancy in the office of a director shall be filled by the HVDLE at the earliest and in any case not later than three months from the date of such vacancy: Provided that if the vacancy in the office of a director results in non-compliance with the provisions of sub-regulation (1) of regulation 62F, sub-regulation (1) or (2) of regulation 62G, sub-regulation (2) or (3) of regulation 62H or sub-regulation (2) or (3) of regulation 62I, the HVDLE shall ensure compliance at the earliest and in any case not later than three months from the date of such vacancy: Provided further that if the HVDLE becomes non-compliant with the requirement under sub-regulation (1) of	<p>In order to align with the amendments made for equity listed entities under Chapter IV of the LODR Regulations on December 13, 2024, regarding timelines provided to fill up vacancies in Board Committees arising as a result of vacancy in the office of a director.</p> <p>Therefore, in order to provide the adequate timeline to the HVDLEs to fill up vacancies in the Board Committees, timeline of 3 months is also provided by SEBI.</p> <p>Further, the exemption of 3 months will not be available</p>	

	<p>this regulation, sub-regulation (1) of regulation 62F, Sub-regulation (1) or (2) of regulation 62H or sub-regulation (2) or (3) o regulation 62I, due to expiration of the term of office of any director, the resulting vacancy shall be filled by the listed entity not later than the date of such office is vacated:</p> <p>Provided further that this sub-regulation shall not apply if the HVDLE fulfils the requirement under sub-regulation (1) of this regulation, sub-regulation (1) of regulation 62F, Sub-regulation (1) or (2) of regulation 62H or sub-regulation (2) or (3) o regulation 62I without filling the vacancy.</p>	for the vacancy arising due to expiration of the term of office of any director (i.e. being a known event) and in such case, the resulting vacancy shall be filled by the listed entity not later than the date such office is vacated.	
<u>Regulation 62D (6)</u>	<u>Regulation 62D (6)</u> The board of directors shall meet at least four times a year, with a maximum time gap of one hundred and twenty days between any two meetings.	The word “year” is replaced with “financial year” and the word “two meetings” is replaced with “two consecutive meetings”.	The HVDLEs has to ensure four board meeting in a financial year with a maximum gap of 120 days b/w two consecutive meetings.
<u>Regulation 62D (11)(d)</u> The approval of shareholders by special resolution shall be obtained every year, in which the annual remuneration payable to a single non-executive director exceeds fifty	<u>Regulation 62D (11)(d)</u> The approval of shareholders by special resolution shall be obtained every financial year, in which the annual remuneration payable to a single non-executive director	The word “year” is replaced with “financial year”.	The listed entities have to ensure of obtaining the approval every financial year now, if required.

per cent. of the total annual remuneration payable to all non-executive directors, giving details of the remuneration thereof.	exceeds fifty per cent. of the total annual remuneration payable to all non-executive directors, giving details of the remuneration thereof.		
<u>Regulation 62D (17)</u> The statement to be annexed to the notice as referred to in sub-section (1) of section 102 of the Companies Act, 2013 for each item of special business to be transacted at a general meeting shall also set forth clearly the recommendation of the board of directors to the shareholders on each items.	<u>Regulation 62D (17)</u> The statement to be annexed to the notice as referred to in sub-section (1) of section 102 of the Companies Act, 2013 for each item of special business to be transacted at a general meeting shall also set forth clearly the recommendation of the board of directors to the shareholders along with the rationale on each items.	While recommending the resolution to the shareholders u/r 62D of SEBI LODR, the HVDLEs has to give rationale in the explanatory statement from now.	The HVDLEs has to give rationale in the explanatory statement as attached with the notice for each item of special business to be transacted at a general meeting.
<u>Regulation 62F</u> <u>Audit Committee</u> <u>Regulation 62F(2)(a)</u> The audit committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between two consecutive meetings.	<u>Regulation 62F</u> <u>Audit Committee</u> <u>Regulation 62F(2)(a)</u> The audit committee shall meet at least four times in a financial year and not more than one hundred and twenty days shall elapse between two consecutive meetings.	The word “year” is replaced with “financial year”	The listed entity must ensure at least four committee meetings in a financial year.
<u>Regulation 62G</u> <u>Nomination and remuneration committee</u> <u>Regulation 62G(6)</u>	<u>Regulation 62G</u> <u>Nomination and remuneration committee</u> <u>Regulation 62G(6)</u>	The word “year” is replaced with “financial year”	The listed entity must ensure at least one committee meeting in a financial year.

The nomination and remuneration committee shall meet at least once in a year.	The nomination and remuneration committee shall meet at least once in a financial year.		
<u>Regulation 62H</u> <u>Stakeholders Relationship Committee</u> <u>Regulation 62H(5)</u> The stakeholders relationship committee shall meet at least once in a year.	<u>Regulation 62H</u> <u>Stakeholders Relationship Committee</u> <u>Regulation 62H(5)</u> The stakeholders relationship committee shall meet at least once in a financial year.	The word “year” is replaced with “financial year”	The listed entity must ensure at least one committee meeting in a financial year.
<u>Regulation 62I</u> <u>Risk Management Committee</u> <u>Regulation 62I(4)</u> The risk management committee shall meet at least twice in a year and not more than two hundred and ten days shall elapse between any two consecutive meetings.	<u>Regulation 62I</u> <u>Risk Management Committee</u> <u>Regulation 62I(4)</u> The risk management committee shall meet at least twice in a financial year and not more than two hundred and ten days shall elapse between any two consecutive meetings.	The word “year” is replaced with “financial year”	The listed entity must ensure at least two committee meeting in a financial year.
<u>Regulation 62K</u> <u>Related Party Transactions</u> <u>Regulation 62K(1)</u>	<u>Regulation 62K</u> <u>Related Party Transactions</u> <u>Regulation 62K(1)</u>	To promote the objective of ease of doing business and also to harmonize the provisions related to RPT, SEBI has provided cross referencing to provisions of	Pursuant to the cross-reference to the provisions of Regulation 23 under Regulation 62K of the LODR Regulations, the Industry

<p>The HVDLE shall formulate a policy on materiality of related party transactions and on dealing with related party transactions including clear threshold limits duly approved by the board of directors and such policy shall be reviewed by the board of directors at least once every three years and updated accordingly:</p> <p>Provided that a transaction with a related party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds Rupees one thousand crore or ten per cent. of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower.</p> <p><u>Regulation 62K(2)</u></p> <p>(2)Notwithstanding the above, a transaction involving payments made to a related party with respect to brand usage or royalty shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed five per cent. of the annual consolidated turnover of the HVDLE as per the last audited financial statements of the HVDLE.</p>	<p>HVDLE shall comply with the provisions of regulation 23 above except regulation 23(8) and regulation 23(9) in respect of related party transactions. For the purpose of this regulation word listed entity mentioned in regulation 23 shall be read as HVDLE;</p>	<p>Regulation 23 in Regulation 62K of LODR.</p> <p>Further the requirements of NOC of Debenture trustee and the debenture holders shall be retained for HVDLEs as provided under Regulation 62K(5), 62K(6) and 62K(7) of LODR Regulations.</p>	<p>Standards on Related Party Transactions have become applicable to HVDLEs, which were not applicable earlier.</p> <p>Further, HVDLEs are required to follow new limits for obtaining shareholder's approval for material RPTs as prescribed in Schedule XII of LODR.</p> <p>HVDLEs are required to update its policy on materiality of related party transactions and on dealing with related party transactions accordingly.</p>
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<p><u>Regulation 62K(3)</u></p> <p>All related party transactions and subsequent material modifications shall require prior approval of the audit committee of the HVDLE:</p> <p>Provided that only those members of the audit committee, who are independent directors, shall approve related party transactions:</p> <p>Provided further that:</p> <p>(a).....</p> <p>(b).....</p> <p>(c).....</p>	<p><u>Regulation 62K(3)</u></p> <p>Omitted</p>		
<p><u>Regulation 62K(4)</u></p> <p>Audit committee may grant omnibus approval for related party transactions proposed to be entered into by the HVDLE subject to the following conditions, namely-</p> <p>(a) to (e).....</p>	<p><u>Regulation 62K(4)</u></p> <p>Omitted</p>		
<p><u>Regulation 62K(5)</u></p>			

<p>All material related party transactions and subsequent material modifications as defined by the audit committee under sub-regulation (3) shall require prior No-Objection Certificate from the Debenture Trustee and the Debenture Trustee shall in turn obtain No-Objection from the debenture holders who are not related with the Issuer and hold atleast more than fifty per cent. of the debentures in value, on the basis of voting including e-voting.</p>	<p><u>Regulation 62K(5)</u></p> <p>All material related party transactions and subsequent material modifications as defined by the audit committee under sub-regulation (3) shall require prior No-Objection Certificate from the Debenture Trustee and the Debenture Trustee shall in turn obtain No-Objection from the debenture holders who are not related with the Issuer and hold atleast more than fifty per cent. of the debentures in value, on the basis of voting including e-voting in the manner specified by the Board.</p>		
<p><u>Regulation 62K(7)</u></p> <p>The provisions of sub-regulations (3), (4) and (5) shall not be applicable in the following cases:</p> <p>(a) transactions entered into between two government companies;</p> <p>(b) transactions entered into between a holding company and its wholly owned subsidiary whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval; and</p>	<p><u>Regulation 62K(7)</u></p> <p>The provisions of sub-regulation (5) shall not be applicable in the following cases:</p> <p>(a) transactions entered into between two public sector companies;</p> <p>(b) transactions entered into between a holding company and its wholly owned subsidiary whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval;</p> <p>(c) transactions entered into between two wholly-owned subsidiaries of the listed</p>	<p>a) Public Sector Banks (PSBs) are body corporates constituted under special statute and do not fall under the purview of definition of 'government company' under the Companies Act, 2013. Considering that PSBs are controlled by the Government, the exemption under Regulation 62K(7) which is applicable to 'government companies' is also extended to PSBs.</p>	<p>-</p>

<p>(c) transactions entered into between two wholly-owned subsidiaries of the listed holding company, whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval.</p> <p>Explanation: —For the purpose of clause (a) of this sub-regulation, "government company" means Government company as defined in sub-section (45) of section 2 of the Companies Act, 2013.</p>	<p>holding company, whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval;</p> <p>(d) transactions which are in the nature of payment of statutory dues, statutory fees or statutory charges entered into between an entity on one hand and the Central Government or any State Government or any combination thereof, on the other hand; and</p> <p>(e) transactions entered into between a public sector company on the one hand and the Central Government or any State Government or any combination thereof, on the other hand.</p> <p>Explanation: —For the removal of doubts, it is clarified that the term 'holding company' used in clause (b) of this sub-regulation refers to and shall be deemed to have always referred to a listed holding company.</p>	<p>b) Some transactions between the HVDLE and the Central Government or any State Government (which are falling under criteria of related party for the HVDLE) could be in the form of statutory payments such as payment of tax, license fee, spectrum usage charges, etc., therefore, such transactions are also exempted from approval requirements under Reg. 23(2), (3) and (4) (previously 62K(2), (3) and (4) of LODR as they are statutory obligations of a company.</p>	
<p><u>Regulation 62L</u></p> <p><u>Corporate governance requirements with respect to unlisted material subsidiary of HVDLE</u></p>	<p><u>Regulation 62L</u></p> <p><u>Corporate governance requirements with respect to unlisted material subsidiary of HVDLE</u></p>	<p>In order to align with the amendments made for equity listed entities under Chapter IV of the LODR Regulations on December 13, 2024, SEBI has considered</p>	<p>HVDLEs to ensure if any subsidiary becomes material subsidiary by the amendment in the</p>

<u>Regulation 62L(1)</u>	<u>Regulation 62L(1)</u>	referring to "turnover" instead of "income" for HVDLEs. Further, the amount of revenue from operation is to be considered for the purpose of identification of Material Subsidiary and other income shall not form part of turnover.	definition of material subsidiary.
<u>Regulation 62L(6)</u>	<u>Regulation 62L(6)</u>	The provision is inserted in order to exempt the requirements specified in this regulation for sale of assets of a wholly-owned subsidiary of the listed entity to another wholly-owned subsidiary. This is due to the fact that such transfers result in change of ownership of the asset at a subsidiary level without any change at the consolidated level as both the entities are exclusively owned by the HVDLE.	-

Nothing contained in this sub-regulation shall be applicable if such sale, disposal

	or lease of asses is between two wholly-owned subsidiaries of the HVDLE.		
<u>Regulation 62M</u> <u>Secretarial Audit and Secretarial Compliance Report</u>	<u>Regulation 62M</u> <u>Secretarial Audit and Secretarial Compliance Report</u>	In order to align with the amendments made for equity listed entities under Chapter IV of the LODR Regulations on December 13, 2024, SEBI has prescribed the similar secretarial audit requirements for HVDLEs.	a) HVDLE should ensure that the Secretarial Auditor proposed to be recommended to the shareholders for approval shall be a Peer reviewed Company Secretary.
<u>Regulation 62M(1)</u> Every HVDLE and its material unlisted subsidiaries incorporated in India shall undertake secretarial audit and shall annex a secretarial audit report given by a company secretary in practice, in such form as specified by the Board, with the annual report of the listed entity.	<u>Regulation 62M(1)</u> Every HVDLE and its material unlisted subsidiaries incorporated in India shall undertake secretarial audit as per regulation 24A .		b) The appointment of Secretarial Auditor has to be done by the shareholders at the Annual General meeting to be held for FY 2026 and the removal of Secretarial Auditor shall also be done by approval of shareholders' only.
<u>Regulation 62M(2)</u> Every HVDLE shall submit a secretarial compliance report in such form as specified by the Board, to stock exchanges, within sixty days from end of each financial year.	<u>Regulation 62M(2)</u> Omitted		

			<p>c) The appointment tenure of individual as Secretarial Auditor shall be for not more than one term of five consecutive years AND of the Secretarial Audit firm as Secretarial Auditor shall be for not more than two terms of five consecutive years.</p> <p>d) The casual vacancy arising out of resignation, death or disqualification of a Secretarial Auditor shall be filled by the board of directors of the listed entity within a period of three months and the secretarial auditor so appointed shall hold office till the conclusion of the</p>
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			<p>next annual general meeting.</p> <p>e) Listed entity has to obtain the confirmation and/or eligibility certificate from the proposed secretarial auditor that they are meeting the eligibility criteria and are not disqualified from being appointed as Secretarial Auditor of the Company.</p> <p>Apart from eligibility, qualifications and disqualifications criteria of Secretarial Auditor prescribed in Regulation 24(1A), SEBI has also prescribed the additional eligibility, qualifications and disqualifications criteria of Secretarial</p>
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			<p>Auditor as per SEBI Circular dated December 31, 2024.</p> <p>Further, the Secretarial Auditor can provide only such other services other than secretarial audit as are approved by the Board of Directors of the listed entity and which are not included in restricted list of services as prescribed by SEBI in its circular dated December 31, 2024.</p>
<p><u>Regulation 62N</u></p> <p><u>Obligations with respect to independent directors</u></p> <p><u>Regulation 62N(7)</u></p> <p>An independent director who resigns or is removed from the board of directors of the HVDLE shall be replaced by a new independent director by the HVDLE not later than three months from the date of such vacancy:</p>	<p><u>Regulation 62N</u></p> <p><u>Obligations with respect to independent directors</u></p> <p><u>Regulation 62N(7)</u></p> <p>Omitted</p>	<p>In order to align with the amendments made for equity listed entities under Chapter IV of the LODR Regulations on December 13, 2024, and Since the provision for filing of casual vacancy within 3 months from the date of such vacancy is already there u/r 62D(5) of LODR, the provision of Reg. 62N(7) is omitted.</p>	-

<p>Provided that where the HVDLE fulfils the requirement of independent directors in its board of directors without filling the vacancy created by such resignation or removal, the requirement of replacement by a new independent director shall not apply.</p>			
<p><u>Regulation 62P</u> <u>Vacancies in respect of certain Key Managerial Personnel</u> <u>Regulation 62P(3)</u> No such sub-regulation and proviso</p>	<p><u>Regulation 62P</u> <u>Vacancies in respect of certain Key Managerial Personnel</u> <u>Regulation 62P(3)</u> Any vacancy in the office of Chief Executive Officer, Managing Director, Whole Time Director or Manager or Chief Financial Officer of such HVDLE in respect of which a resolution plan under section 31 of the Insolvency Code has been approved, shall be filled within a period of three months of such approval: Provided that, in the interim, such HVDLE shall have not less than one full-time key managerial personnel managing its day-to-day affairs.</p>	<p>Provision inserted in order to provide reasonable time for such companies coming out of CIRP to ensure compliance.</p>	<p>-</p>

<p><u>Regulation 62Q</u></p> <p><u>Other corporate governance requirements</u></p> <p><u>Regulation 62Q(2)</u></p> <p>(a) The HVDLE shall submit a periodic compliance report on corporate governance in the format as specified by the Board from time to time to the recognized stock exchange(s) within twenty one days from the end of the period.</p> <p>(b) Details of all material transactions with related parties shall be disclosed along with the report mentioned in clause (a) of this sub-regulation.</p>	<p><u>Regulation 62Q</u></p> <p><u>Other corporate governance requirements</u></p> <p><u>Regulation 62Q(2)</u></p> <p>(a) The HVDLE shall submit, to the recognized stock exchange(s), a periodic compliance report on corporate governance in the format and within the timelines, as may be specified by the Board from time to time.</p> <p>(b) Omitted</p>	<p>Time period and frequency of submission of compliance report on corporate governance to stock exchange(s) shall be decided by SEBI.</p> <p>Disclosure of all material related party transactions in the Quarterly Corporate Governance Report is dispensed with.</p>	
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Suggestions may be sent to rupesh@cacsindia.com

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