

# REGULATORY ROUND-UP FOR THE YEAR 2023

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# Regulatory Roundup (1/3)

## Listing Regulations (I)

- SEBI (LODR) (Amendment) Regulations, 2023- [click here](#)
  - a. CG norms under LODR omitted for REITs and InvITs
  - b. shareholders' approval for re-appointment of directors
  - c. disclosure of details of material subsidiaries in CG Report
  - d. amendment in definition of senior management
- Changes in erstwhile norms for processing investor service requests by RTAs
- Revision in format of ASC Report
- Introduction of BRSR Core - Framework for assurance and ESG disclosures for value chain - [click here](#)
- Extension of timeline for market verification of rumours and SEBI (LODR) (Fifth Amendment) Regulations, 2023- [click here](#)
- Model Tripartite agreement between the existing STA, the new STA and the listed entity in case of change/appointment of new STA

## Listing Regulations (II)

- SEBI (LODR) (Second Amendment) Regulations, 2023- [click here](#)
  - a. **Reg 30:** Quantitative thresholds for determining materiality, amendments in materiality policy, revised timelines, verification of market rumours, disclosure of information, amendments in Sch. III items
  - b. **Reg 37A:** New insertion: Framework for sale, lease or disposal of undertaking by a listed entity- [click here](#)
  - c. **Reg 30A and clause 5A of Para A Part A to Sch. III:** disclosure of agreements binding listed entities- [click here](#)
  - d. **Others:** Vacancy in office of compliance officer, director, CEO/CFO, disclosure of cyber security incidents, special rights to shareholders, re-approval of shareholders for continuation of directors beyond 5 years, disclosures under CG Report pertaining to particulars of SMPs

## PIT Regulations

- framework for restricting trading by Designated Persons ("DPs") by freezing PAN at security
  - extended to top 2000 listed entities in terms of BSE Market Capitalization as of June 30, 2023
- SOP for ensuring compliance with SDD

## Buyback Regulations

Relaxation under revised buyback norms | SEBI's revised framework [click here](#)

# Regulatory Roundup (2/3)

## ICDR Regulations

- Reduction in timelines of listing of specified securities in public issue.
  - reduced from 6 working days (T+6 days) to 3 working days (T+3 days)
  - **on voluntary basis** for public issues opening on or after September 01, 2023
  - **mandatory** for public issues opening on or after December 1, 2023
- Review and rationalization of existing method and introduction of new methods for achieving minimum public shareholding - [click here](#)
- SEBI (Issue of Capital and Disclosure Requirements) (Second Amendment) Regulations, 2023
  - a. Changes w.r.t pension funds
  - b. Hosting of docs on website
  - c. Precondition for bonus issue
  - d. Material contracts & documents
  - e. Underwriting in IPO and FPO

## Others (under SEBI)

- Introduction of a common ODR portal for online conciliation and online arbitration for resolution of disputes - [click here](#)
- Revision in framework of SCORES and linking with ODR portal
- SEBI (Facilitation of Grievance Redressal Mechanism) (Amendment) Regulations, 2023
- Cyber Security Incidence Disclosure under Corporate Governance Report - [click here](#)
- Introduction of Issue Summary Document in respect of pref issue, QIP, Rights issue, ADR, GDR, FCCB issue
- Online processing of investor service requests and complaints by RTAs

# Regulatory Roundup (3/3)

## Companies Act, 2013

- **Companies (Prospectus and Allotment of Securities) (Second Amendment) Rules, 2023** - (a) Mandatory conversion of share warrants - [click here](#) (b) Compulsory demat requirement for private companies - [click here](#)
- **Companies (Management and Administration) Second Amendment Rules, 2014** - appointment of designated person responsible for providing information with respect to beneficial interest in shares - [click here](#)
- **Companies (Compromises, Arrangements and Amalgamations) Amendment Rules, 2023** - Faster disposal of applications u/s 233 of the Act - [click here](#)
- **Companies (Appointment and Qualification of Directors) (Amendment) Rules, 2023** - Declaration u/s 164 & revisions in forms - [click here](#)

## LLP Rules

- **Limited Liability Partnership (Significant Beneficial Owners) Rules, 2023**
  - Aligning the framework for identification of SBO's of LLPs with that of companies - [click here](#)

## MCA

- Migration of certain forms to V3 portal - [click here](#)
- Merger of multiple user IDs in V2 portal with new user ID in V3 and deactivation of old user ID in V2 portal
- Holding of AGM and EGM through VC or OAVM - Extension of timeline

## Timeline for procedure of buy-back through tender offer

Broad Activity	Existing Timelines	Amended Timelines ( <i>in working days</i> )
Public Announcement	T	T
Submission of draft offer letter to SEBI	T+7	NA
Receipt of observations from SEBI (tentative)	T+14	NA
Record date	R	R = T+9 (7 working days in advance excluding date of intimation and record date)
Last day of dispatch of offer letter to shareholders	T+19	R+2 = T+11
Opening of offer letter	T+24	R+4 = T+13
Closure of offer	T+34	T+18 (offer opening + 5)
Last day of payment for consideration to shareholders	T+41	T+23

# Manner of achieving minimum public shareholding

Change in existing method	Insertion of new methods
<p><b>Sale by promoter/promoter group in open market</b> - increase in percentage from 2 to 5% subject to condition specified in SEBI Circular dated February 3, 2023.</p>	<p>Increase in public holding pursuant to exercise of options and allotment of shares under an ESOP scheme, subject to a maximum of 2% of the paid-up equity share capital of the listed entity.</p> <p>Transfer of shares held by promoter(s)/ promoter group to an Exchange Traded Fund (ETF) managed by a SEBI-registered mutual fund, subject to a maximum of 5% of the paid-up equity share capital of the listed entity</p>