



## National Stock Exchange Of India Limited

Ref: NSE/CML/2021/23

June 28, 2021

The Company Secretary  
All Listed Companies

Dear Sir/ Madam

**Subject: FAQ's - LODR amendments dated May 05, 2021**

The Securities and Exchange Board of India vide notification dated May 05, 2021 have amended LODR Regulations, 2015.

There have been few queries received from listed companies with respect to the above-mentioned amendment. To address these queries, FAQs as per Annexure I are being issued.

Companies are requested to comply with the requirement of listing regulations and other applicable regulations as amended from time to time. The FAQ's can be referred only for the assistance.

Yours faithfully,  
For National Stock Exchange of India Limited

Lokesh Bhandari  
Chief Manager

**General Queries:**

**Q1. As per regulation 3(2), the provisions of these regulations become applicable to listed entities on the basis of market capitalization criteria. The market capitalization as on what cutoff date shall be considered to determine the applicability?**

**Reply:** Cutoff date for considering Market capitalization for Reg 3(2) will be March 31, 2021.

**Q2. How much time is available with the company to achieve compliance with the following amended regulations:**

<b>Regulation</b>	<b>Amendment</b>
<b>21(2)</b>	<b>Substituted with the following, namely,  “The Risk Management Committee shall have minimum three members with majority of them being members of the board of directors, including at least one independent director and in case of a listed entity having outstanding SR equity shares, at least two thirds of the Risk Management Committee shall comprise independent directors.”</b>
<b>21(3A)</b>	<b>the word —once shall be substituted with the word —twice</b>
<b>21(5)</b>	<b>The number “500” shall be substituted with the number “1000”.</b>
<b>In Schedule III, Part D</b>	<b>To formulate a detailed risk management policy</b>

**Reply:** Time shall be available as follows:

<b>Regulation</b>	<b>Time available</b>
<b>21(2), 21(5) and Schedule III, Part D (formulate a detailed risk management policy)</b>	<b>The companies to which the provisions pertaining to risk management committee are already applicable ie. top 500 companies shall comply with the amended provisions of regulation 21(2) within a period of 3 months from the date of notification of the amendment or next board meeting whichever is later.  The companies falling in the bracket of top 501 to 1000 to whom the provisions pertaining to risk management committee are made applicable as per the amended regulation 21(5), shall comply within a period of 6 months from the date of notification of the amendment or next board meeting whichever is later.</b>
<b>21(3A)</b>	<b>The amended provision shall be made applicable to the companies having financial year end after September 30, 2021.  The new provision shall not apply to the companies with financial year ended June 30, 2021.</b>

	<p>For Example, any Company which has financial year on or before Sep 30, 2021 – are required to have 1 RMC meeting</p> <p>For those company whose financial year after Sep 30, 2021 i.e. Dec 31, 2021 or Mar 31, 2022 they are required to conduct 2 RMC meeting as per proposed amendment.</p>
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**Q3. Whether Corporate Governance provisions will be applicable to public sector bank?**

**Reply:** Yes, Corporate Governance provisions will be applicable to public sector bank from September 1, 2021.

**Q4. Considering the amendment in regulation 31A, whether the provision of erstwhile regulation 31A or amended regulation 31A, shall apply in case the process of reclassification is already initiated before the amendment?**

**Reply:** In case notice to the shareholders is sent before the amendment in LODR i.e. before May 05, 2021 then old regulation 31A would be applicable.

**Q5. Reclassification application shall be submitted to the exchange within how many days of the board meeting, in case of application is under proviso to sub-regulation 3(a)(iii) of regulation 31A?**

**Reply:** The application shall be submitted within 30 days of the board meeting.

**Q6: The sub-regulation (6) of Reg 30, the second proviso read with Schedule III states that “Provided that in case of board meetings being held for more than one day, the financial results shall be disclosed within thirty minutes of end of the meeting for the day on which it has been considered”. In case a Board Meeting continues beyond a day without any interruption when shall the trigger of thirty Minutes start?**

**Reply:** Outcome of the Board Meeting shall be filed within thirty minutes from the end of the Board Meeting and not from the end of the day if in case the Board Meeting continues to the next day.

(For e.g.: BM Start date is May 01, 2021, 09:00 p.m. BM end date and time is May 02, 2021, 04:00 a.m. The maximum time for submission for results shall be upto May 02, 2021, 04:30 a.m.

Another example, BM continue for 2 day i.e. Start date is May 01, 2021, 09:00 a.m. and break on day 1 at i.e. May 01, 2021 at 6.00 pm and on day 2 start at May 02, 2021 at 9.00 am end date May 02, 2021, 04:00 p.m.,

Here the item which are discussed on day 1 & day 2 should be given after the board meeting i.e. if day 1 then 6.30 pm and if day 2 then 4.30 pm.)

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