



8 August 2019

1

Details regarding the Board

Companies to disclose:

- Number of independent directorships held by directors in listed companies
- Whether the board has appointed a Chairperson
- Whether Chairperson is related to MD/CEO

This is to monitor board interlocks (while appointing independent directors). Further, under the revised SEBI LODR, the top 500 listed companies are mandated to appoint a Non-executive Chairperson not related to the MD/CEO by 1 April 2020.

2

Director attendance disclosure on a quarterly basis

Companies must disclose the attendance of directors (including independent director) at board and committee meetings each quarter. This is in keeping with the recent changes to the SEBI LODR which prescribes the quorum for board meetings, viz, one-third of the total board size or three directors, whichever is higher including one independent director. The provision allows director participation through electronic means.

3

Disclosure on company's website

In addition to the details already specified by SEBI, website links of the required documents are to be provided in the CG report. These include the company's dividend distribution policy, materiality policy, schedule of investor/analyst meet including presentations made to them, credit ratings and revisions thereof and separate audited financial statements for each subsidiary. Accuracy of the details disclosed on the website must also be certified.

4

Annual affirmations

Companies to affirm annual compliance with the mandatory provisions relating to:

- Board's recommendation provided on shareholder resolutions
- Quorum and meetings of the Nomination and Remuneration Committee
- Meetings of the Stakeholder Relationship Committee
- Disclosure of related party transactions on a consolidated basis
- Secretarial compliance report
- Declaration of independence by independent directors
- Directors and officer's insurance

Background

In July 2019, SEBI circulated a new format for compliance report on corporate governance to be submitted by listed companies to stock exchanges

Applicability

The revised format will be applicable for reports for the quarter ended 30 September 2019

Rationale

On account of recent amendments to the SEBI LODR following the recommendations of the Kotak Committee

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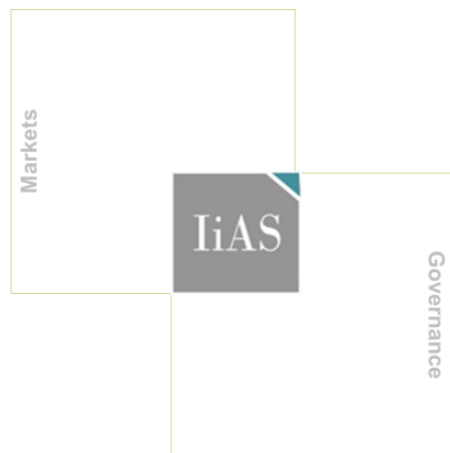
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