

SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015¹



In exercise of the powers conferred by section 11, sub-section (2) of section 11A and section 30 of the Securities and Exchange Board of India Act, 1992 (15 of 1992) read with section 31 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956), the Securities and Exchange Board of India hereby makes the following Regulations, namely: –

Chapter - I Preliminary [Regulations 1 to 3]

Regulation 1: Short title and commencement.

Enforcement date	02-09-2015
Subsequent amendments	--
Other LODR Regulations Referred	23(4) & 31A
Referred provisions of other laws	--

- (1) These regulations may be called the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (2) They shall come into force on the ninetieth day from the date of their publication in the Official Gazette:

Provided that the provisions of **sub-regulation (4) of regulation 23** and **regulation 31A** shall come into force on the date of notification of these regulations.

1 Published in the Gazette of India, Extraordinary, Part III, Section 4 No. SEBI/LAD-NRO/GN/2015-16/013 dated 02nd September, 2015.

Regulation 2: Definitions.

Enforcement date	01-12-2015
Subsequent amendments	<ul style="list-style-type: none"> <input type="checkbox"/> SEBI (LODR) (Amendment) Regulations, 2018, w.e.f. 01.04.2019 <input type="checkbox"/> SEBI (LODR) (Third Amendment) Regulations, 2018, w.e.f. 31.05.2018 <input type="checkbox"/> SEBI (LODR) (Fifth Amendment) Regulations, 2018, w.e.f. 06.09.2018 <input type="checkbox"/> SEBI (LODR) (Sixth Amendment) Regulations, 2018, w.e.f. 16.11.2018 <input type="checkbox"/> SEBI (LODR) (Second Amendment) Regulations, 2021 w.e.f. 05.05.2021 <input type="checkbox"/> SEBI (LODR) (Fifth Amendment) Regulations, 2021, w.e.f. 07.09.2021 <input type="checkbox"/> SEBI (LODR) (Sixth Amendment) Regulations, 2021, w.e.f. 01.04.2022 <input type="checkbox"/> SEBI (LODR) (Fifth Amendment) Regulations, 2022, w.e.f. 25.07.2022 <input type="checkbox"/> SEBI (LODR) (Second Amendment) Regulations, 2023, w.e.f. 15.07.2023 <input type="checkbox"/> SEBI (LODR) (Third Amendment) Regulations, 2024, w.e.f. 13.12.2024
Other LODR Regulations Referred	--
Referred provisions of other laws	<ul style="list-style-type: none"> <input type="checkbox"/> Section 2(f) of the Securities Contracts (Regulation) Act, 1956; <input type="checkbox"/> Section 3 of the SEBI Act, 1992; <input type="checkbox"/> Sections 2(6), (18), (41), (44), (46), (48), (51), (53), (54), (57), (76), (77) & (87) and 89 of the Companies Act, 2013; <input type="checkbox"/> Section 12 of the Fugitive Economic Offenders Act, 2018; <input type="checkbox"/> Rule 2(d) & (e) of the Securities Contracts (Regulations) Rules, 1957; <input type="checkbox"/> Regulation 2(r) of SEBI (Mutual Funds) Regulations, 1996; <input type="checkbox"/> Regulation 2(1)(l) (s), (sa) & (t) of SEBI (Issue and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008; <input type="checkbox"/> Regulations 2(1)(ee), (kk), (oo), (pp), (ddd) & (eee) and 292A(a), (b), (c), (d), (e), (f), (g), (h) & (i) of SEBI (ICDR) Regulations, 2018; <input type="checkbox"/> Regulation 2(1)(k), (v), (w), (x), (y) & (z) of SEBI (Issue and listing of Non-Convertible Securities) Regulations, 2021

(1) In these regulations, unless the context otherwise requires:—

- (a) **“Act”** means the Securities and Exchange Board of India Act, 1992 (15 of 1992);
- (b) **“associate”** shall mean any entity which is an associate under **sub-section (6) of section 2 of the Companies Act, 2013** or under the applicable accounting standards:

Provided that this definition shall not be applicable for the units issued by mutual fund which are listed on a recognised stock exchange(s) for which the provisions of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 shall be applicable;



Referred Provision of other Laws

SECTION 2(6) OF THE COMPANIES ACT, 2013

Definitions

2(6) “associate company”, in relation to another company, means a company in which that other company has a significant influence, but which is not a subsidiary company of the company having such influence and includes a joint venture company.

Explanation. – For the purpose of this clause –

- (a) the expression “significant influence” means control of at least twenty per cent, of total voting power, or control of or participation in business decisions under an agreement;
- (b) the expression “joint venture” means a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement;



FAQs issued by SEBI

Section - III

LODR Regulations

A. Definitions

1. Regulation 2(1)(b) of LODR defines an ‘associate company’ to mean any entity which is an associate under the Companies Act, 2013 or under the applicable accounting standards. Whether both conditions have to be met or either of the two?

Ans. The definition of associate company should be viewed under the Companies Act, 2013 as well as Accounting Standards. If the condition is met under either of the two, then such entity should be classified as an associate company.

- (c) **“Board”** means the Securities and Exchange Board of India established under **section 3 of the Act**;



Referred Provision of other Laws

SECTION 3 OF THE SEBI ACT, 1992

3. Establishment and incorporation of Board.

- (1) With effect from such date as the Central Government may, by notification, appoint, there shall be established, for the purposes of this Act, a Board by the name of the Securities and Exchange Board of India.
- (2) The Board shall be a body corporate by the name aforesaid, having perpetual succession and a common seal, with power subject to the provisions of this Act, to acquire, hold and dispose of property, both movable and immovable, and to contract, and shall, by the said name, sue or be sued.
- (3) The head office of the Board shall be at Bombay.
- (4) The Board may establish offices at other places in India.

- (d) **“board of directors”** or **“board of trustees”** shall mean the board of directors or board of trustees, whichever applicable, of the listed entity;
- (e) **“chief executive officer”** or **“managing director”** or **“manager”** shall mean the person so appointed **in terms of the Companies Act, 2013**;



Referred Provision of other Laws

SECTION 2(18), (53) & (54) OF THE COMPANIES ACT, 2013

Definitions

- (18) **“Chief Executive Officer”** means an officer of a company, who has been designated as such by it;
- (53) **“manager”** means an individual who, subject to the superintendence, control and direction of the Board of Directors, has the management of the whole, or substantially the whole, of the affairs of a company, and includes a director or any other person occupying the position of a manager, by whatever name called, whether under a contract of service or not;
- (54) **“managing director”** means a director who, by virtue of the articles of a company or an agreement with the company or a resolution passed in its general meeting, or by its Board of Directors, is entrusted with substantial powers of management of the affairs of the company and includes a director occupying the position of managing director, by whatever name called.

Explanation. – For the purposes of this clause, the power to do administrative acts of a routine nature when so authorised by the Board such as the power to affix the common seal of the company to any document or to draw and endorse any cheque on the account of the company in any bank or to draw and endorse any negotiable instrument or to sign any certificate of share or to direct registration of transfer of any share, shall not be deemed to be included within the substantial powers of management;

- (f) **“chief financial officer”** or **“whole time finance director”** or **“head of finance”**, by whatever name called, shall mean the person heading and discharging the finance function of the listed entity as disclosed by it to the recognised stock exchange(s) in its filing under these regulations;
- (g) **“committee”** shall mean committee of board of directors or any other committee so constituted;
- (h) **“designated securities”** means specified securities, non-convertible debt securities, non-convertible redeemable preference shares, perpetual debt instrument, perpetual non-cumulative preference shares, Indian depository receipts, securitised debt instruments, ¹[security receipts,] units issued by mutual funds, ²[Zero Coupon Zero Principal Instruments] and any other securities as may be specified by the Board;
- (i) **“financial year”** shall have the same meaning as assigned to it under sub-section (41) of section 2 of the Companies Act, 2013;



Referred Provision of other Laws

SECTION 2(41) OF THE COMPANIES ACT, 2013

Definitions

(41) “financial year”, in relation to any company or body corporate, means the period ending on the 31st day of March every year, and where it has been incorporated on or after the 1st day of January of a year, the period ending on the 31st day of March of the following year, in respect whereof financial statement of the company or body corporate is made up:

Provided that where a company or body corporate, which is a holding company or a subsidiary or associate company of a company incorporated outside India and is required to follow a different financial year for consolidation of its accounts outside India, the Central Government may, on an application made by that company or body corporate in such form and manner as may be prescribed, allow any period as its financial year, whether or not that period is a year:

Provided further that any application pending before the Tribunal as on the date of commencement of the Companies (Amendment) Act, 2019, shall be disposed of by the Tribunal in accordance with the provisions applicable to it before such commencement.

Provided also that a company or body corporate, existing on the commencement of this Act, shall, within a period of two years from such commencement, align its financial year as per the provisions of this clause;

1 Inserted by SEBI (LODR) (Fifth Amendment) Regulations, 2018, w.e.f. 06.09.2018.

2 Inserted by SEBI (LODR) (Fifth Amendment) Regulations, 2022, w.e.f. 25.07.2022.

- ¹[(ia) “**fugitive economic offender**” shall mean an individual who is declared a fugitive economic offender under **section 12 of the Fugitive Economic Offenders Act, 2018** (17 of 2018).]



Referred Provision of other Laws

SECTION 12 OF THE FUGITIVE ECONOMIC OFFENDERS ACT, 2018

12. Declaration of fugitive economic offender. –

- (1) After hearing the application under section 4, if the Special Court is satisfied that an individual is a fugitive economic offender, it may, by an order, declare the individual as a fugitive economic offender for reasons to be recorded in writing.
- (2) On a declaration under sub-section (1), the Special Court may order that any of the following properties stand confiscated to the Central Government –
- (a) the proceeds of crime in India or abroad, whether or not such property is owned by the fugitive economic offender; and
 - (b) any other property or benami property in India or abroad, owned by the fugitive economic offender.
- (3) The confiscation order of the Special Court shall, to the extent possible, identify the properties in India or abroad that constitute proceeds of crime which are to be confiscated and in case such properties cannot be identified, quantify the value of the proceeds of crime.
- (4) The confiscation order of the Special Court shall separately list any other property owned by the fugitive economic offender in India which is to be confiscated.
- (5) Where the Special Court has made an order for confiscation of any property under sub-section (2), and such property is in a contracting State, the Special Court may issue a letter of request to a Court or authority in the contracting State for execution of such order.
- (6) Every letter of request to be transmitted to a contracting State under sub-section (5) shall be transmitted in such form and manner as the Central Government may, by notification, specify in this behalf.
- (7) The Special Court may, while making the confiscation order, exempt from confiscation any property which is a proceed of crime in which any other person, other than the fugitive economic offender, has an interest if it is satisfied that such interest was acquired bona fide and without knowledge of the fact that the property was proceeds of crime.
- (8) All the rights and title in the confiscated property shall, from the date of the confiscation order, vest in the Central Government, free from all encumbrances.
- (9) Where on the conclusion of the proceedings, the Special Court finds that the individual is not a fugitive economic offender, the Special Court shall order release of property or record attached or seized under this Act to the person entitled to receive it.

1 Inserted by SEBI (LODR) (Sixth Amendment) Regulations, 2018, w.e.f. 16.11.2018.

(10) Where an order releasing the property has been made by the Special Court under sub-section (9), the Director or any other officer authorised by him in this behalf may withhold the release of any such property or record for a period of ninety days from the date of receipt of such order, if he is of the opinion that such property is relevant for the appeal proceedings under this Act.

- (j) **“global depository receipts”** means global depository receipts as defined in sub-section (44) of section 2 of the Companies Act, 2013;



Referred Provision of other Laws

SECTION 2(44) OF THE COMPANIES ACT, 2013

Definitions

(44) **“Global Depository Receipt”** means any instrument in the form of a depository receipt, by whatever name called, created by a foreign depository outside India and authorised by a company making an issue of such depository receipts;

¹[(k) ***]

- (l) **“half yearly results”** means the financial results prepared in accordance with these regulations in respect of a half year;
- (m) **“holding company”** means a holding company as defined in sub-section (46) of section 2 of the Companies Act, 2013;



Referred Provision of other Laws

SECTION 2(46) OF THE COMPANIES ACT, 2013

Definitions

(46) **“holding company”**, in relation to one or more other companies, means a company of which such companies are subsidiary companies.

Explanation. – For the purposes of this clause, the expression “company” includes any body corporate;

- (n) **“Indian depository receipts”** means Indian depository receipts as defined in sub-section (48) of section 2 of the Companies Act, 2013;

1 Clause (k) omitted by SEBI (LODR) (Third Amendment) Regulations, 2024, w.e.f. 13.12.2024. Prior to omission, it read as:
“(k) “half year” means the period of six months commencing on the first day of April or October of a financial year;”



Referred Provision of other Laws

SECTION 2(48) OF THE COMPANIES ACT, 2013

Definitions

(48) **“Indian Depository Receipt”** means any instrument in the form of a depository receipt created by a domestic depository in India and authorised by a company incorporated outside India making an issue of such depository receipts;

- ¹[(na) **“Insolvency Code”** means the Insolvency and Bankruptcy Code, 2016 [No. 31 of 2016]]”
- (o) **“key managerial personnel”** means key managerial personnel as defined in **sub-section (51) of section 2 of the Companies Act, 2013**;



Referred Provision of other Laws

SECTION 2(51) OF THE COMPANIES ACT, 2013

Definitions

(51) **“key managerial personnel”**, in relation to a company, means –

- (i) the Chief Executive Officer or the managing director or the manager;
 - (ii) the company secretary;
 - (iii) the whole-time director;
 - (iv) the Chief Financial Officer;
 - (v) such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
 - (vi) such other officer as may be prescribed;
- (p) **“listed entity”** means an entity which has listed, on a recognised stock exchange(s), the designated securities issued by it or designated securities issued under schemes managed by it, in accordance with the listing agreement entered into between the entity and the recognised stock exchange(s);
- (q) **“listing agreement”** shall mean an agreement that is entered into between a recognised stock exchange and an entity, on the application of that entity to the recognised stock exchange, undertaking to comply with conditions for listing of designated securities;
- (r) **“main board”** means main board as defined in clause ²[(ee)] of sub-regulation (1) of regulation ³[2] of the ⁴[Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018];

¹ Clause (na) inserted by SEBI (LODR) (Third Amendment) Regulations, 2018, w.e.f. 31.05.2018.

² Substituted for “(a)” by the SEBI (LODR) (Second Amendment) Regulations, 2021 w.e.f. 05.05.2021.



Referred Provision of other Laws

REGULATION 2(1)(ee) OF THE SEBI (ICDR) REGULATIONS, 2018

2(1) Definitions

(ee) “**main board**” means an issuer whose equity shares are listed on a recognised stock exchange having nationwide trading terminals;

- ¹[(ra) “**mainstream media**” shall include print or electronic mode of the following:
- i. Newspapers registered with the Registrar of Newspapers for India;
 - ii. News channels permitted by Ministry of Information and Broadcasting under Government of India;
 - iii. Content published by the publisher of news and current affairs content as defined under the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021; and
 - iv. Newspapers or news channels or news and current affairs content similarly registered or permitted or regulated, as the case may be, in jurisdictions outside India;]
- (s) “**net worth**” means net worth as defined in sub-section (57) of section 2 of the Companies Act, 2013;



Referred Provision of other Laws

SECTION 2(57) OF THE COMPANIES ACT, 2013

Definitions

(57) “**net worth**” means the aggregate value of the paid-up share capital and all reserves created out of the profits securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation;

- ²[(t) “**non-convertible debt securities**” means “**debt securities**” as defined under the Securities and Exchange Board of India (Issue and listing of Non-Convertible Securities) Regulations, 2021]

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- 3 Substituted for “106N” by the SEBI (LODR) (Second Amendment) Regulations, 2021 w.e.f. 05.05.2021.
4 Substituted for “Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009” by the SEBI (LODR) (Second Amendment) Regulations, 2021 w.e.f. 05.05.2021.
1 Clause (ra) inserted by SEBI (LODR) (Second Amendment) Regulations, 2023, w.e.f. 15.07.2023.



Referred Provision of other Laws

REGULATION 2(1)(w) OF THE SEBI (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021

2(1) Definitions

(w) **“non-convertible securities”** means debt securities, non-convertible redeemable preference shares, perpetual non-cumulative preference shares, perpetual debt instruments and any other securities as specified by the Board;

¹[(u) **‘non-convertible redeemable preference shares’, ‘non-convertible securities’, ‘perpetual debt instrument’ and ‘perpetual non-cumulative preference share’** shall have the same meaning as assigned to them in the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;]



Referred Provision of other Laws

REGULATION 2(1)(v), (w), (y) & (z) OF THE SEBI (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021

2(1) Definitions

(v) **“non-convertible redeemable preference share”** means a preference share which is redeemable in accordance with the relevant provisions of the Companies Act, 2013 (18 of 2013) and does not include a preference share which is convertible into or exchangeable with equity shares of the issuer at a later date, at the option of the holder or not;

(w) **“non-convertible securities”** means debt securities, non-convertible redeemable preference shares, perpetual non-cumulative preference shares, perpetual debt instruments and any other securities as specified by the Board;

(y) **“perpetual debt instrument”** means a perpetual debt instrument issued in accordance with the guidelines framed by the Reserve Bank of India;

(z) **“perpetual non-cumulative preference share”** means a perpetual non-cumulative

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2 Substituted by SEBI (LODR) (Fifth Amendment) Regulations, 2021, w.e.f. 07.09.2021. Prior to substitution, clause (t) read as under:

“(t) ‘non-convertible debt securities’ which is ‘debt securities’ as defined under regulation 2(1)(e) of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;”

1 Substituted by SEBI (LODR) (Fifth Amendment) Regulations, 2021, w.e.f. 07.09.2021. Prior to substitution, clause (u) read as under:

“(u) ‘non-convertible redeemable preference shares’, ‘perpetual debt instrument’/‘innovative perpetual debt instrument’ and ‘perpetual non-cumulative preference share’ shall have the same meaning as assigned to them in the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013;”

preference share issued in accordance with the guidelines framed by the Reserve Bank of India;

- (v) **“offer document”** shall have the same meaning assigned to it under clause ¹[(kk)] of sub-regulation (1) of regulation 2 of the ²[Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018], ³[clause (y) of sub-regulation (1) of regulation 2 of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021], clause (r) of regulation 2 of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and clause (l) of sub-regulation (1) of regulation 2 of the ⁴[Securities and Exchange Board of India (Issue and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008], as may be applicable;



Referred Provision of other Laws

REGULATION 2(1)(kk) OF THE SEBI (ICDR) REGULATIONS, 2018

2(1) Definitions

- (kk) **“offer document”** means a red herring prospectus, prospectus or shelf prospectus, as applicable, referred to under the Companies Act, 2013, in case of a public issue, and a letter of offer in case of a rights issue;

REGULATION 2(1)(x) OF THE SEBI (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021

2(1) Definitions

- (x) **“offer document”** means a prospectus, shelf prospectus, tranche prospectus in case of public issue of debt securities and/or non-convertible redeemable preference shares and a placement memorandum in case of private placement of non-convertible securities and includes a draft offer document;

REGULATION 2(r) OF THE SEBI (MUTUAL FUNDS) REGULATIONS, 1996

2 Definitions

- (r) **“offer document”** means any document by which a mutual fund invites public for

- 1 Substituted for “(x)” by the SEBI (LODR) (Second Amendment) Regulations, 2021 w.e.f. 05.05.2021.
- 2 Substituted for “Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009” by the SEBI (LODR) (Second Amendment) Regulations, 2021 w.e.f. 05.05.2021.
- 3 Substituted for the words, numbers and symbols “*clause (j) of sub-regulation(1) of regulation 2 of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, clause (p) of sub-regulation (1) of regulation 2 of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013*” by SEBI (LODR) (Fifth Amendment) Regulations, 2021, w.e.f. 07.09.2021.
- 4 Substituted for “*Securities and Exchange Board of India (Public Offer and Listing of Securitised Debt Instruments) Regulations, 2008*” by SEBI (LODR) (Fifth Amendment) Regulations, 2018, w.e.f. 06.09.2018.

subscription of units of a scheme;

REGULATION 2(1)(I) OF THE SEBI (ISSUE AND LISTING OF SECURITISED DEBT INSTRUMENTS AND SECURITY RECEIPTS) REGULATIONS, 2008

2(1) Definitions

(I) **“offer document”** means any –

- (i) document including an electronic document described or issued as an offer document or prospectus and includes any notice, circular, advertisement or other document inviting subscription from the public or purchase of any securitised debt instruments of a scheme formulated under these regulations; or
- (ii) a document including an electronic document, inviting subscription for the security receipts from the qualified buyers on private placement basis;

(w) **“promoter”** and **“promoter group”** shall have the same meaning as assigned to them respectively in clauses ¹[(oo)] and ²[(pp)] of sub-regulation (1) of regulation 2 of the ³[Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018].



Referred Provision of other Laws

REGULATION 2(1)(oo) & (pp) OF THE SEBI (ICDR) REGULATIONS, 2018

2(1) Definitions

(oo) **“promoter”** shall include a person:

- i) who has been named as such in a draft offer document or offer document or is identified by the issuer in the annual return referred to in section 92 of the Companies Act, 2013; or
- ii) who has control over the affairs of the issuer, directly or indirectly whether as a shareholder, director or otherwise; or
- iii) in accordance with whose advice, directions or instructions the board of directors of the issuer is accustomed to act:

Provided that nothing in sub-clause (iii) shall apply to a person who is acting merely in a professional capacity;

Provided further that a financial institution, scheduled commercial bank, foreign portfolio investor other than individuals, corporate bodies and family offices, mutual fund, venture capital fund, alternative investment fund, foreign venture

1 Substituted for “(za)” by the SEBI (LODR) (Second Amendment) Regulations, 2021 w.e.f. 05.05.2021.
2 Substituted for “(zb)” by the SEBI (LODR) (Second Amendment) Regulations, 2021 w.e.f. 05.05.2021.
3 Substituted for “Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009” by the SEBI (LODR) (Second Amendment) Regulations, 2021 w.e.f. 05.05.2021.

capital investor, insurance company registered with the Insurance Regulatory and Development Authority of India or any other category as specified by the Board from time to time, shall not be deemed to be a promoter merely by virtue of the fact that twenty per cent. or more of the equity share capital of the issuer is held by such person unless such person satisfy other requirements prescribed under these regulations;

(pp) “promoter group” includes:

- i) the promoter;
- ii) an immediate relative of the promoter (i.e. any spouse of that person, or any parent, brother, sister or child of the person or of the spouse); and
- iii) in case promoter is a body corporate:
 - A) a subsidiary or holding company of such body corporate;
 - B) any body corporate in which the promoter holds twenty per cent. or more of the equity share capital; and/or any body corporate which holds twenty per cent. or more of the equity share capital of the promoter;
- iv) in case the promoter is an individual:
 - A) any body corporate in which twenty per cent. or more of the equity share capital is held by the promoter or an immediate relative of the promoter or a firm or Hindu Undivided Family in which the promoter or anyone or more of their relative is a member;
 - B) any body corporate in which a body corporate as provided in (A) above holds twenty per cent. or more, of the equity share capital; and
 - C) any Hindu Undivided Family or firm in which the aggregate share of the promoter and their relatives is equal to or more than twenty per cent. of the total capital;
- v) all persons whose shareholding is aggregated under the heading “shareholding of the promoter group”:

Provided that a financial institution, scheduled bank, foreign portfolio investor other than individuals, corporate bodies and family offices, mutual fund, venture capital fund, alternative investment fund, foreign venture capital investor, insurance company registered with the Insurance Regulatory and Development Authority of India or any other category as specified by the Board from time to time, shall not be deemed to be promoter group merely by virtue of the fact that twenty per cent. or more of the equity share capital of the promoter is held by such person or entity:

Provided further that such financial institution, scheduled bank, foreign portfolio investor other than individuals, corporate bodies and family offices, mutual fund, venture capital fund, alternative investment fund and foreign venture capital investor insurance company registered with the Insurance Regulatory and Development Authority of India or any other category as specified by the Board from time to time shall be treated as promoter group for the subsidiaries or companies promoted by them or for the mutual fund

sponsored by them;

- (x) **“public”** means public as defined under clause (d) of rule 2 of the Securities Contracts (Regulation) Rules, 1957;



Referred Provision of other Laws

RULE 2(d) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957

2 Definitions

- (d) **“public”** means persons other than –
- i) the promoter and promoter group;
 - ii) subsidiaries and associates of the company.

Explanation: For the purpose of this clause the words “promoter” and “promoter group” shall have the same meaning as assigned to them under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

- (y) **“public shareholding”** means public shareholding as defined under clause (e) of rule 2 of the Securities Contracts (Regulation) Rules, 1957;



Referred Provision of other Laws

RULE 2(e) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957

2 Definitions

- (e) **“public shareholding”** means equity shares of the company held by public including shares underlying the depository receipts if the holder of such depository receipts has the right to issue voting instruction and such depository receipts are listed on an international exchange in accordance with the Depository Receipts Scheme, 2014:

Provided that the equity shares of the company held by the trust set up for implementing employee benefit schemes under the regulations framed by the Securities and Exchange Board of India shall be excluded from public shareholding.

- (z) **“quarter”** means the period of three months commencing on the first day of April, July, October or January of a financial year;
- (za) **“quarterly results”** means the financial results prepared in accordance with these regulations in respect of a quarter;
- (zb) **“related party”** means a related party as defined under sub-section (76) of section 2 of the Companies Act, 2013 or under the applicable accounting standards:

¹**[Provided that:**

1 Substituted by SEBI (LODR) (Sixth Amendment) Regulations, 2021, w.e.f. 01.04.2022. Prior to substitution, first proviso read as under:

- (a) any person or entity forming a part of the promoter or promoter group of the listed entity; or
- (b) any person or any entity, holding equity shares:
 - (i) of twenty per cent or more; or
 - (ii) of ten per cent or more, with effect from April 1, 2023;
in the listed entity either directly or on a beneficial interest basis as provided under **section 89 of the Companies Act, 2013**, at any time, during the immediate preceding financial year;
shall be deemed to be a related party:]

Provided ¹[**further**] **that** this definition shall not be applicable for the units issued by mutual funds which are listed on a recognised stock exchange(s);



Referred Provision of other Laws

SECTION 2(76) OF THE COMPANIES ACT, 2013

Definitions

(76) “related party”, with reference to a company, means –

- (i) a director or his relative;
- (ii) a key managerial personnel or his relative;
- (iii) a firm, in which a director, manager or his relative is a partner;
- (iv) a private company in which a director or manager or his relative is a member or director;
- (v) a public company in which a director or manager is a director and holds along with his relatives, more than two per cent. of its paid-up share capital;
- (vi) any body corporate whose Board of Directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager;
- (vii) any person on whose advice, directions or instructions a director or manager is accustomed to act:

Provided that nothing in sub-clauses (vi) and (vii) shall apply to the advice, directions or instructions given in a professional capacity;

- (viii) any body corporate which is –
 - (A) a holding, subsidiary or an associate company of such company;
 - (B) a subsidiary of a holding company to which it is also a subsidiary; or

⇒⇒

“Provided that any person or entity belonging to the promoter or promoter group of the listed entity and holding 20% or more of shareholding in the listed entity shall be deemed to be a related party.”

1 Inserted by SEBI (LODR) (Amendment) Regulations, 2018, w.e.f. 01.04.2019.

(C) an investing company or the venturer of the company;”

Explanation- For the purpose of this clause, “the investing company or the venturer of a company” means a body corporate whose investment in the company would result in the company becoming an associate company of the body corporate.

√ Section 2(76)(viii) shall not apply with respect to Section 188 to a private company; vide Notification G.S.R. 464(E) dated 5th June 2015.

√ Section 2(76)(viii) shall not apply with respect to Section 188 to a Specified IFSC public company; vide Notification G.S.R. 08(E) dated 04th January 2017.

(ix) such other person as may be **prescribed**;

Rule 3 of the Companies (Specification of Definitions Details) Rules, 2014

3. Related party.-

For the purposes of sub-clause (ix) of clause (76) of section 2 of the Act, a director other than an independent director] or key managerial personnel of the holding company or his relative with reference to a company, shall be deemed to be a related party.

ACCOUNTING STANDARD 18: RELATED PARTY DISCLOSURES

10.1 Related party - parties are considered to be related if at any time during the reporting period one party has the ability to control the other party or exercise significant influence over the other party in making financial and/or operating decisions.

INDIAN ACCOUNTING STANDARD 24: RELATED PARTY DISCLOSURES

A **related party** is a person or entity that is related to the entity that is preparing its financial statements (in this Standard referred to as the ‘reporting entity’).

- (a) A person or a close member of that person’s family is related to a reporting entity if that person:
 - (i) has control or joint control over the reporting entity;
 - (ii) has significant influence over the reporting entity; or
 - (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
- (b) An entity is related to a reporting entity if any of the following conditions applies:
 - (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to

the reporting entity.

- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

SECTION 89 OF THE COMPANIES ACT, 2013

Section 89. Declaration in respect of beneficial interest in any share.

(1) Where the name of a person is entered in the register of members of a company as the holder of shares in that company but who does not hold the beneficial interest in such shares, such person shall make a declaration within such time and in such form as may be prescribed to the company specifying the name and other particulars of the person who holds the beneficial interest in such shares.

(2) Every person who holds or acquires a beneficial interest in share of a company shall make a declaration to the company specifying the nature of his interest, particulars of the person in whose name the shares stand registered in the books of the company and such other particulars as may be prescribed.

(3) Where any change occurs in the beneficial interest in such shares, the person referred to in sub-section (1) and the beneficial owner specified in sub-section (2) shall, within a period of thirty days from the date of such change, make a declaration to the company in such form and containing such particulars as may be prescribed.

(4) The Central Government may make rules to provide for the manner of holding and disclosing beneficial interest and beneficial ownership under this section.

(5) If any person fails to make a declaration as required under sub-section (1) or sub-section (2) or sub-section (3), he shall be liable to a penalty of fifty thousand rupees and in case of continuing failure, with a further penalty of two hundred rupees for each day after the first during which such failure continues, subject to a maximum of five lakh rupees.

(6) Where any declaration under this section is made to a company, the company shall make a note of such declaration in the register concerned and shall file, within thirty days from the date of receipt of declaration by it, a return in the prescribed form with the Registrar in respect of such declaration with such fees or additional fees as may be prescribed.

(7) If a company, required to file a return under sub-section (6), fails to do so before the expiry of the time specified therein, the company and every officer of the company who is in default shall be liable to a penalty of one thousand rupees for each day during which such failure continues, subject to a maximum of five lakh rupees in the case of a company and two lakh rupees in case of an officer who is in default.

(8) No right in relation to any share in respect of which a declaration is required to be made under this section but not made by the beneficial owner, shall be enforceable by him or by any person claiming through him.

(9) Nothing in this section shall be deemed to prejudice the obligation of a company to pay dividend to its members under this Act and the said obligation shall, on such payment, stand discharged.

(10) For the purposes of this section and section 90, beneficial interest in a share includes, directly or indirectly, through any contract, arrangement or otherwise, the right or entitlement of a person alone or together with any other person to—

- (i) exercise or cause to be exercised any or all of the rights attached to such share; or
- (ii) receive or participate in any dividend or other distribution in respect of such share.

(11) The Central Government may, by notification, exempt any class or classes of persons from complying with any of the requirements of this section, except sub-section (10), if it is considered necessary to grant such exemption in the public interest and any such exemption may be granted either unconditionally or subject to such conditions as may be specified in the notification.

✓ Section 89 shall not apply to a Government company vide Notification G.S.R. 463(E) dated 5th June 2015.



FAQs issued by SEBI

Section - III

LODR Regulations

A. Definitions

2. Regulation 2(1) (zb) of LODR defines the term 'Related party' to mean related party under the Companies Act, 2013 or under the applicable Accounting Standards. Whether both conditions have to be met or either of the two?

Ans. The definition of related party should be viewed under the Companies Act, 2013 as well as Accounting Standards. If the condition is met under either of the two, then such party should be classified as a related party. Further, any person or entity forming a part of the promoter or promoter group of the listed entity; or any person or any entity holding equity shares of 10% or more in the listed entity either directly or on a beneficial interest basis as provided under Section 89 of the Companies Act, 2013, at any time, during the immediate preceding financial year; shall be deemed to be a related party.

¹[(zc) **"related party transaction"** means a transaction involving a transfer of resources, services or obligations between:

1 Substituted by SEBI (LODR) (Sixth Amendment) Regulations, 2021, w.e.f. 01.04.2022. Prior to substitution, clause (zc) read as under:

"(zc) "related party transaction" means a transfer of resources, services or obligations between a listed entity and a related party, regardless of whether a price is charged and a "transaction" with a related party shall be construed to include a single transaction or a group of transactions in a contract:

Provided that this definition shall not be applicable for the units issued by mutual funds which are listed on a recognised stock exchange(s);"

- (i) a listed entity or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand; or
- (ii) a listed entity or any of its subsidiaries on one hand, and any other person or entity on the other hand, the purpose and effect of which is to benefit a related party of the listed entity or any of its subsidiaries, with effect from April 1, 2023;

regardless of whether a price is charged and a “transaction” with a related party shall be construed to include a single transaction or a group of transactions in a contract:

Provided that the following shall not be a related party transaction:

- (a) the issue of specified securities on a preferential basis, subject to compliance of the requirements under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (b) the following corporate actions ¹*** which are uniformly applicable/offered to all shareholders in proportion to their shareholding:
 - i. payment of dividend;
 - ii. subdivision or consolidation of securities;
 - iii. issuance of securities by way of a rights issue or a bonus issue; and
 - iv. buy-back of securities.
- (c) acceptance of fixed deposits by banks/Non-Banking Finance Companies at the terms uniformly applicable/offered to all shareholders/public, subject to disclosure of the same along with the disclosure of related party transactions every six months to the stock exchange(s), in the format as specified by the Board:

Provided further that this definition shall not be applicable for the units issued by mutual funds which are listed on a recognised stock exchange(s);]

- ²[(d) acceptance of current account deposits and saving account deposits by banks in compliance with the directions issued by the Reserve Bank of India or any other central bank in the relevant jurisdiction from time to time:

Explanation: For the purpose of clauses (c) and (d) above, acceptance of deposits includes payment of interest thereon.

- (e) retail purchases from any listed entity or its subsidiary by its directors or its employees, without establishing a business relationship and at the terms which are uniformly applicable/offered to all employees and directors:]

1 The words “by the listed entity” omitted by SEBI (LODR) (Third Amendment) Regulations, 2024, w.e.f. 13.12.2024.

2 Clauses (d) and (e) inserted by SEBI (LODR) (Third Amendment) Regulations, 2024, w.e.f. 13.12.2024.

(zd) **“relative”** means relative as defined under **sub-section (77) of section 2 of the Companies Act, 2013 and rules prescribed there under:**

Provided this definition shall not be applicable for the units issued by mutual fund which are listed on a recognised stock exchange(s);



Referred Provision of other Laws

SECTION 2(77) OF THE COMPANIES ACT, 2013

Definitions

(77) “relative”, with reference to any person, means any one who is related to another, if –

- (i) they are members of a Hindu Undivided Family;
- (ii) they are husband and wife; or
- (iii) one person is related to the other in such manner as may be **prescribed**;

Rule 4 of the Companies (Specification of Definitions Details) Rules, 2014

4. List of relatives in terms of clause (77) of section 2.-

A person shall be deemed to be the relative of another, if he or she is related to another in the following manner, namely:-

- (1) Father:
Provided that the term “Father” includes step-father.
- (2) Mother:
Provided that the term “Mother” includes the step-mother.
- (3) Son:
Provided that the term “Son” includes the step-son.
- (4) Son’s wife.
- (5) Daughter.
- (6) Daughter’s husband.
- (7) Brother:
Provided that the term “Brother” includes the step-brother;
- (8) Sister:
Provided that the term “Sister” includes the step-sister.

(ze) **“schedule”** means a schedule annexed to these regulations;

¹[(zf) **“securities laws”** means the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and the rules and regulations made thereunder and

1 Clause (zf) substituted by SEBI (LODR) (Third Amendment) Regulations, 2024, w.e.f. 13.12.2024. Prior to substitution, it read as:

“(zf) “securities laws” means the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, and the provisions of the Companies Act, 1956 and Companies Act, 2013, and the rules, regulations, circulars or guidelines made thereunder.”

the general or special orders, guidelines or circulars made or issued by the Board thereunder and the provisions of the Companies Act, 2013 or any previous company law and any subordinate legislation framed thereunder, which are administered by the Board.]

- ¹[(zg) **“securitized debt instruments”** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008];



Referred Provision of other Laws

REGULATION 2(1)(s) OF THE SEBI (ISSUE AND LISTING OF SECURITISED DEBT INSTRUMENTS AND SECURITY RECEIPTS) REGULATIONS, 2008

2(1) Definitions

- (s) **“securitised debt instrument”** means any certificate or instrument, by whatever name called, of the nature referred to in sub-clause (ie) of clause (h) of section 2 of the Act issued by a special purpose distinct entity;

²[(zga) **“security receipts”** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008]



Referred Provision of other Laws

REGULATION 2(1)(sa) OF THE SEBI (ISSUE AND LISTING OF SECURITISED DEBT INSTRUMENTS AND SECURITY RECEIPTS) REGULATIONS, 2008

2(1) Definitions

- (sa) **“security receipt”** shall have the same meaning assigned to it in clause (zg) of sub-section (1) of section 2 of Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;

(zh) **“servicer”** means servicer as defined under clause (t) of sub-regulation (1) of regulation 2 of the ³[Securities and Exchange Board of India (Issue and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008];

1 Clause (zg) substituted by SEBI (LODR) (Fifth Amendment) Regulations, 2018, w.e.f. 06.09.2018. Prior to substitution, clause (zg) read as follows:

“(zg) ‘securitised debt instruments’ as defined in the Securities and Exchange Board of India (Public Offer and Listing of Securitised Debt Instruments) Regulations, 2008”

2 Inserted by SEBI (LODR) (Fifth Amendment) Regulations, 2018, w.e.f. 06.09.2018.

3 Substituted for the words and symbols *“Securities and Exchange Board of India (Public Offer and Listing of Securitised Debt Instruments) Regulations, 2008”* by SEBI (LODR) (Fifth Amendment) Regulations, 2018, w.e.f. 06.09.2018.