



news flash

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NEWSFLASH – THE IMPACT OF COVID-19 ON CAPITAL MARKETS IN INDIA

Amidst the current widespread pandemic circumstances arising due to COVID-19 virus, various government agencies have been making announcements providing much needed relief to various stakeholders to tide over these uncertain period.

In this newsflash, the ALMT capital market team have put together a snapshot of some of the additional relaxations made by the Securities and Exchange Board of India (“**SEBI**”) in its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/48) dated 26th March 2020, for listed companies (i.e. in addition to the relaxations brought about vide its circular dated 16th March 2020) from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) and its circular no. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated 22nd January 2020 relating to Standard Operating Procedure (“**SOP Circular**”), with immediate effect. These additional relaxations are as follows:

1. Certificate of a practicing company secretary on timely issue of share certificates, which is usually due within 1 month from the end of each half of the financial year and would have been due on or before 30th April 2020 is now required to be filed on or before 31st May 2020;
2. The annual general meeting of top 100 listed entities by market capitalization, which is ordinarily required to have been held by 31st August 2020 is now required to be held by 30th September 2020;
3. The nomination and remuneration, stakeholders’ relationship and risk management committees are ordinarily required to meet at least once annually and should have completed their meeting by 31st March 2020, are now required to complete their meeting by 30th June 2020;
4. The SOP Circular, under which the SEBI had provided for imposition of fines and other enforcement actions for non-compliances with provisions of the Listing Regulations, was to be brought into effect from 30th March 2020. This proposed effective date of the SOP Circular has now been extended to 30th June 2020 and until such time, the SOP Circular dated 3rd May 2018 would apply;

5. Companies are now exempted from publishing advertisements in newspapers as required under regulation 47 of the Listing Regulations for all events till 15th May 2020.

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