

GTL/S&L/____-____
Date: _____

To,

Dear Sir,

Subject: Appointment as Independent Director on the Board of the Company.

I am pleased to inform you that the Members of the Company at its ____ Annual General Meeting held on _____ have approved your appointment as the Independent Director of the Company ("Independent Director"). This letter sets out the terms of your appointment.

1. Appointment:

In accordance with the provisions of the Companies Act, 2013 and other applicable laws, you will serve as the Independent Director on the Board w.e.f. _____ for a term of _____ years subject to review of annual performance and unless terminated earlier or extended, as per the provisions of this letter or applicable laws ("**Term**").

As the Independent Director you will not be liable to retire by rotation.

2. Time Commitment:

As a Non - Executive Independent Director you are expected to bring objectivity and independence of view to the Board's discussions and to help provide the Board with effective leadership in relation to the Company's strategy, performance, and risk management as well as ensuring high standards of financial probity and corporate governance. The Board generally meets atleast six times in a year. The Audit Committee generally meets atleast 5 times in a year. Besides, there are other Committees like Nomination and Remuneration Committee, Project Management

Committee and other sub-committee of Board of Directors, the Meetings of which are ordinarily convened as per requirements. You are expected to attend Board and its Committees to which you may be appointed and Shareholders meetings and to devote such time to your duties, as appropriate for you to discharge your duties effectively. Ordinarily, all meetings including Annual General Meeting are held in Gandhinagar.

By accepting this appointment, you confirm that you are able to allocate sufficient time to meet the expectations from your role to the satisfaction of the Board.

3. Membership of Committees:

As advised by the Board, during the tenure of office, you may be required to serve on one or more of the Committees of the Board constituted by the Company. Upon your appointment as Member/Chairman to any one or more committees, you will be provided with the Committee's terms of reference and any specific responsibilities.

4. Roles, Duties and Responsibilities:

A. As member of the Board, you along with the other Directors will be collectively responsible for meeting the objectives of the Board which include:

- Requirements under the Companies Act, 2013,
- "Responsibilities of the Board" as outlined in the Corporate Governance requirements as prescribed by Stock Exchanges under relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,
- Accountability under the Director's Responsibility Statement,
- Overseeing the maintenance of standards of GTL Values and ethical conduct of business,
- Overseeing the Company's contribution to enhancing the quality of life of communities.

B. You shall abide by the "Code for Independent Directors" as outlined in Schedule IV to Section 149 (8) of the Companies Act, 2013, and duties of Directors as provided in the 2013 Act (including Section 166) and in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. For your ready reference, the relevant provisions have been extracted and attached to this letter as Annexures.

C. You will also be responsible for providing guidance in the area of your expertise.

5. Fees:

As an Independent Director you shall be paid sitting fees for attending the meetings of the Board and the Committees of which you are a member as fixed by the Board from time to time.

The sitting fees presently paid to the Non – Executive Independent Director is Rs. 20,000/- per meeting of the Board or a Committee thereof.

Further, you will have no entitlement to participate in any employee stock option scheme operated by the Company or any Group Company.

6. Reimbursement of Expenses:

In addition to the sitting fees described above, the Company will, for the period of your appointment, reimburse to you, the travel, hotel and other incidental expenses incurred by you for attending the Board/Committee Meetings of the Company.

7. Insurance:

The Company has 'Directors and Officers' Liability insurance.

8. Disclosures, other directorship and business interests:

During the Term, you agree to promptly notify the Company of any change in your directorships and provide such other disclosures and information as may be required under the applicable laws. You also agree that upon becoming aware of potential conflict of interest with your position as Independent Director of the Company, you shall promptly disclose the same to the Board of Directors of the Company. Please confirm that as on date of this letter, you have no such conflict of interest issues with your existing directorships.

Declaration of Independence:

To satisfy all the criteria of being 'Independent' throughout the tenure on Board of the Company both as per the requirements of the Companies Act, 2013 and as per the Listing Agreement (as amended from time to time). In this regard, a declaration on an annual basis has to be submitted to the Board of the Company confirming that the requirements of Independence are being met. If at any point of time there is any change in the circumstances which may affect the status of Independent Director, the same has to be brought to the notice of the Board immediately.

9. Evaluation:

The Board of Directors will carry out an evaluation of the performance of the Board as a whole, Board Committees and Directors on an annual basis.

10. Code of Conduct:

During the appointment you are required to comply with following codes of conduct of the Company (copies enclosed):

- i. Code of Conduct for Board and Senior Management;
- ii. Code of Conduct for prevention of Insider Trading in securities of the Company

and such other requirements as the Board of Directors may from time to time specify.

11. Termination:

Your directorship on the Board of the Company shall terminate or cease in accordance with law. You may resign from the directorship of the Company by giving a notice in writing to the Company stating the reasons for resignation. In terms of the provisions of the Companies Act, 2013 you are required to file a copy of your resignation letter with the Registrar of Companies. If at any stage during the Term, there is a change that may affect your status as an Independent Director as envisaged in Section 149 (6) of the 2013 Act or, if applicable, you fail to meet the criteria for “independence” under the relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, you agree to promptly submit your resignation to the Company with effect from the date of such change.

12. General:

This letter and any non – contractual obligations arising out of or in connection with this Letter are governed by and shall be construed in accordance with the laws of India and the parties agree to submit to the exclusive jurisdiction of the Courts of Gandhinagar.

13. Publication of the letter of appointment:

As per the provisions of the Companies Act, 2013, and of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this letter along with your detailed profile shall be disclosed on the website of the Company.

14. Acceptance of Appointment:

We are confident that the Board and the Company will benefit immensely from your rich experience and we are eager to have you as an integral part of the growth of our Company. Please confirm your agreement to the above by signing and returning the enclosed duplicate of this letter.

Yours Sincerely,

I have read and understood the above terms regarding my appointment as an Independent Director of GSPL Transmission Limited and I hereby affirm my acceptance to the same

(Name of Director)
(DIN: _____)

Date: _____

(6) A company shall within thirty days from the date of receipt of a copy of the cost audit report prepared in pursuance of a direction under sub-section (2) furnish the Central Government with such report along with full information and explanation on every reservation or qualification contained therein.

(7) If, after considering the cost audit report referred to under this section and the information and explanation furnished by the company under sub-section (6), the Central Government is of the opinion that any further information or explanation is necessary, it may call for such further information and explanation and the company shall furnish the same within such time as may be specified by that Government.

(8) If any default is made in complying with the provisions of this section,—

(a) the company and every officer of the company who is in default shall be punishable in the manner as provided in sub-section (1) of section 147;

(b) the cost auditor of the company who is in default shall be punishable in the manner as provided in sub-sections (2) to (4) of section 147.

CHAPTER XI

APPOINTMENT AND QUALIFICATIONS OF DIRECTORS

149. Company to have Board of Directors.—(1) Every company shall have a Board of Directors consisting of individuals as directors and shall have—

(a) a minimum number of three directors in the case of a public company, two directors in the case of a private company, and one director in the case of a One Person Company; and

(b) a maximum of fifteen directors:

Provided that a company may appoint more than fifteen directors after passing a special resolution:

Provided further that such class or classes of companies as may be prescribed, shall have at least one woman director.

(2) Every company existing on or before the date of commencement of this Act shall within one year from such commencement comply with the requirements of the provisions of sub-section (1).

¹[(3) Every company shall have at least one director who stays in India for a total period of not less than one hundred and eighty-two days during the financial year:

Provided that in case of a newly incorporated company the requirement under this sub-section shall apply proportionately at the end of the financial year in which it is incorporated];

(4) Every listed public company shall have at least one-third of the total number of directors as independent directors and the Central Government may prescribe the minimum number of independent directors in case of any class or classes of public companies.

Explanation.—For the purposes of this sub-section, any fraction contained in such one-third number shall be rounded off as one.

(5) Every company existing on or before the date of commencement of this Act shall, within one year from such commencement or from the date of notification of the rules in this regard as may be applicable, comply with the requirements of the provisions of sub-section (4).

(6) An independent director in relation to a company, means a director other than managing director or a whole-time director or a nominee director,—

(a) who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;

(b) (i) who is or was not a promoter of the company or its holding, subsidiary or associate company;

(ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;

1. Subs. by Act 1 of 2018, s. 46, for sub-section (3) (w.e.f. 7-5-2018).

(c) who has or had no ¹[pecuniary relationship, other than remuneration as such director or having transaction not exceeding ten per cent. of his total income or such amount as may be prescribed,] with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;

²[(d) none of whose relatives—

(i) is holding any security of or interest in the company, its holding, subsidiary or associate company during the two immediately preceding financial years or during the current financial year:

Provided that the relative may hold security or interest in the company of face value not exceeding fifty lakh rupees or two per cent. of the paid-up capital of the company, its holding, subsidiary or associate company or such higher sum as may be prescribed;

(ii) is indebted to the company, its holding, subsidiary or associate company or their promoters, or directors, in excess of such amount as may be prescribed during the two immediately preceding financial years or during the current financial year;

(iii) has given a guarantee or provided any security in connection with the indebtedness of any third person to the company, its holding, subsidiary or associate company or their promoters, or directors of such holding company, for such amount as may be prescribed during the two immediately preceding financial years or during the current financial year; or

(iv) has any other pecuniary transaction or relationship with the company, or its subsidiary, or its holding or associate company amounting to two per cent. or more of its gross turnover or total income singly or in combination with the transactions referred to in sub-clause (i), (ii) or (iii);]

(e) who, neither himself nor any of his relatives—

(i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;

³[Provided that in case of a relative who is an employee, the restriction under this clause shall not apply for his employment during preceding three financial years.]

(ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—

(A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or

(B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent. or more of the gross turnover of such firm;

(iii) holds together with his relatives two per cent. or more of the total voting power of the company; or

(iv) is a Chief Executive or director, by whatever name called, of any nonprofit organisation that receives twenty-five per cent. or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent. or more of the total voting power of the company; or

(f) who possesses such other qualifications as may be prescribed.

(7) Every independent director shall at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his status as an independent director, give a declaration that he meets the criteria of independence as provided in sub-section (6).

1. Subs. by Act 1 of 2018, s. 46, for “pecuniary relationship” (w.e.f. 7-5-2018).

2. Subs. by s. 46, *ibid.*, for clause (d) (w.e.f. 7-5-2018).

3. The proviso ins. by s. 46, *ibid.*, (w.e.f. 7-5-2018).

Explanation.—For the purposes of this section, “nominee director” means a director nominated by any financial institution in pursuance of the provisions of any law for the time being in force, or of any agreement, or appointed by any Government, or any other person to represent its interests.

(8) The company and independent directors shall abide by the provisions specified in Schedule IV.

(9) Notwithstanding anything contained in any other provision of this Act, but subject to the provisions of sections 197 and 198, an independent director shall not be entitled to any stock option and may receive remuneration by way of fee provided under sub-section (5) of section 197, reimbursement of expenses for participation in the Board and other meetings and profit related commission as may be approved by the members.

¹[Provided that if a company has no profits or its profits are inadequate, an independent director may receive remuneration, exclusive of any fees payable under sub-section (5) of section 197, in accordance with the provisions of Schedule V.]

(10) Subject to the provisions of section 152, an independent director shall hold office for a term up to five consecutive years on the Board of a company, but shall be eligible for reappointment on passing of a special resolution by the company and disclosure of such appointment in the Board's report.

(11) Notwithstanding anything contained in sub-section (10), no independent director shall hold office for more than two consecutive terms, but such independent director shall be eligible for appointment after the expiration of three years of ceasing to become an independent director:

Provided that an independent director shall not, during the said period of three years, be appointed in or be associated with the company in any other capacity, either directly or indirectly.

Explanation.—For the purposes of sub-sections (10) and (11), any tenure of an independent director on the date of commencement of this Act shall not be counted as a term under those sub-sections.

(12) Notwithstanding anything contained in this Act,—

(i) an independent director;

(ii) a non-executive director not being promoter or key managerial personnel,

shall be held liable, only in respect of such acts of omission or commission by a company which had occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he had not acted diligently.

(13) The provisions of sub-sections (6) and (7) of section 152 in respect of retirement of directors by rotation shall not be applicable to appointment of independent directors.

150. Manner of selection of independent directors and maintenance of databank of independent directors.—(1) Subject to the provisions contained in sub-section (6) of section 149, an independent director may be selected from a data bank containing names, addresses and qualifications of persons who are eligible and willing to act as independent directors, maintained by any body, institute or association, as may be notified by the Central Government, having expertise in creation and maintenance of such data bank and put on their website for the use by the company making the appointment of such directors:

Provided that responsibility of exercising due diligence before selecting a person from the data bank referred to above, as an independent director shall lie with the company making such appointment.

(2) The appointment of independent director shall be approved by the company in general meeting as provided in sub-section (2) of section 152 and the explanatory statement annexed to the notice of the general meeting called to consider the said appointment shall indicate the justification for choosing the appointee for appointment as independent director.

(3) The data bank referred to in sub-section (1), shall create and maintain data of persons willing to act as independent director in accordance with such rules as may be prescribed.

(4) The Central Government may prescribe the manner and procedure of selection of independent directors who fulfil the qualifications and requirements specified under section 149.

151. Appointment of director elected by small shareholders.—A listed company may have one director elected by such small shareholders in such manner and with such terms and conditions as may be prescribed.

1. Ins. by Act 29 of 2020, s. 32 (w.e.f. 18-3-2021).

¹[Provided that where a person is appointed as a director of a company which is in default of clause (a) or clause (b), he shall not incur the disqualification for a period of six months from the date of his appointment.]

(3) A private company may by its articles provide for any disqualifications for appointment as a director in addition to those specified in sub-sections (1) and (2).

²[Provided that the disqualifications referred to in clauses (d), (e) and (g) of sub-section (1) shall continue to apply even if the appeal or petition has been filed against the order of conviction or disqualification.]

165. Number of directorships.—(1) No person, after the commencement of this Act, shall hold office as a director, including any alternate directorship, in more than twenty companies at the same time:

Provided that the maximum number of public companies in which a person can be appointed as a director shall not exceed ten.

³[*Explanation I*].— For reckoning the limit of public companies in which a person can be appointed as director, directorship in private companies that are either holding or subsidiary company of a public company shall be included.

⁴[*Explanation II*.—For reckoning the limit of directorships of twenty companies, the directorship in a dormant company shall not be included.]

(2) Subject to the provisions of sub-section (1), the members of a company may, by special resolution, specify any lesser number of companies in which a director of the company may act as directors.

(3) Any person holding office as director in companies more than the limits as specified in sub-section (1), immediately before the commencement of this Act shall, within a period of one year from such commencement,—

(a) choose not more than the specified limit of those companies, as companies in which he wishes to continue to hold the office of director;

(b) resign his office as director in the other remaining companies; and

(c) intimate the choice made by him under clause (a), to each of the companies in which he was holding the office of director before such commencement and to the Registrar having jurisdiction in respect of each such company.

(4) Any resignation made in pursuance of clause (b) of sub-section (3) shall become effective immediately on the despatch thereof to the company concerned.

(5) No such person shall act as director in more than the specified number of companies,—

(a) after despatching the resignation of his office as director or non-executive director thereof, in pursuance of clause (b) of sub-section (3); or

(b) after the expiry of one year from the commencement of this Act,

whichever is earlier.

⁵[(6) If a person accepts an appointment as a director in violation of this section, he shall be liable to a penalty of two thousand rupees for each day after the first during which such violation continues, subject to a maximum of two lakh rupees.]

166. Duties of directors.—(1) Subject to the provisions of this Act, a director of a company shall act in accordance with the articles of the company.

1. The proviso ins. by Act 1 of 2018, s. 52 (w.e.f. 7-5-2018).

2. The proviso subs. by Act 1 of 2018, s. 52 (w.e.f. 7-5-2018).

3. The *Explanation* renumbered as *Explanation I* thereof by s. 53, *ibid.* (w.e.f. 9-2-2018).

4. Ins. by s. 53, *ibid.* (w.e.f. 9-2-2018).

5. Subs. by Act 29 of 2020, s. 33, for sub-section (6) (w.e.f. 21-12-2020).

(2) A director of a company shall act in good faith in order to promote the objects of the company for the benefit of its members as a whole, and in the best interests of the company, its employees, the shareholders, the community and for the protection of environment.

(3) A director of a company shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.

(4) A director of a company shall not involve in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.

(5) A director of a company shall not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the company.

(6) A director of a company shall not assign his office and any assignment so made shall be void.

(7) If a director of the company contravenes the provisions of this section such director shall be punishable with fine which shall not be less than one lakh rupees but which may extend to five lakh rupees.

167. Vacation of office of director.—(1) The office of a director shall become vacant in case—

(a) he incurs any of the disqualifications specified in section 164:

¹[Provided that where he incurs disqualification under sub-section (2) of section 164, the office of the director shall become vacant in all the companies, other than the company which is in default under that sub-section];

(b) he absents himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board;

(c) he acts in contravention of the provisions of section 184 relating to entering into contracts or arrangements in which he is directly or indirectly interested;

(d) he fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of section 184;

(e) he becomes disqualified by an order of a court or the Tribunal;

(f) he is convicted by a court of any offence, whether involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months:

²[Provided that the office shall not be vacated by the director in case of orders referred to in clauses (e) and (f)—

(i) for thirty days from the date of conviction or order of disqualification;

(ii) where an appeal or petition is preferred within thirty days as aforesaid against the conviction resulting in sentence or order, until expiry of seven days from the date on which such appeal or petition is disposed of; or

(iii) where any further appeal or petition is preferred against order or sentence within seven days, until such further appeal or petition is disposed of.]

(g) he is removed in pursuance of the provisions of this Act;

(h) he, having been appointed a director by virtue of his holding any office or other employment in the holding, subsidiary or associate company, ceases to hold such office or other employment in that company.

1. The proviso ins. by Act 1 of 2018, s. 54 (w.e.f. 7-5-2018).

2. The proviso subs. by Act 1 of 2018, s. 54 (w.e.f. 7-5-2018).

SCHEDULE IV

[See section 149(8)]

CODE FOR INDEPENDENT DIRECTORS

The Code is a guide to professional conduct for independent directors. Adherence to these standards by independent directors and fulfilment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators and companies in the institution of independent directors.

I. Guidelines of professional conduct:

An independent director shall:

- (1) uphold ethical standards of integrity and probity;
- (2) act objectively and constructively while exercising his duties;
- (3) exercise his responsibilities in a *bona fide* manner in the interest of the company;
- (4) devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- (5) not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- (6) not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- (7) refrain from any action that would lead to loss of his independence;
- (8) where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
- (9) assist the company in implementing the best corporate governance practices.

II. Role and functions:

The independent directors shall:

- (1) help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- (2) bring an objective view in the evaluation of the performance of board and management;
- (3) scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- (4) satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- (5) safeguard the interests of all stakeholders, particularly the minority shareholders;
- (6) balance the conflicting interest of the stakeholders;
- (7) determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;
- (8) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

III. Duties :

The independent directors shall—

- (1) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;

- (2) seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company;
- (3) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- (4) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- (5) strive to attend the general meetings of the company;
- (6) where they have concerns about the running of the company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
- (7) keep themselves well informed about the company and the external environment in which it operates;
- (8) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- (9) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company;
- (10) ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- (11) report concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- (12) ¹[act within their authority], assist in protecting the legitimate interests of the company, shareholders and its employees;
- (13) not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

IV. Manner of appointment:

- (1) Appointment process of independent directors shall be independent of the company management; while selecting independent directors the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.
- (2) The appointment of independent director(s) of the company shall be approved at the meeting of the shareholders.
- (3) The explanatory statement attached to the notice of the meeting for approving the appointment of independent director shall include a statement that in the opinion of the Board, the independent director proposed to be appointed fulfils the conditions specified in the Act and the rules made thereunder and that the proposed director is independent of the management.
- (4) The appointment of independent directors shall be formalised through a letter of appointment, which shall set out :
 - (a) the term of appointment;
 - (b) the expectation of the Board from the appointed director; the Board-level committee(s) in which the director is expected to serve and its tasks;
 - (c) the fiduciary duties that come with such an appointment along with accompanying liabilities;
 - (d) provision for Directors and Officers (D and O) insurance, if any;
 - (e) the Code of Business Ethics that the company expects its directors and employees to follow;
 - (f) the list of actions that a director should not do while functioning as such in the company; and

1. Subs. by Notification No. S.O. 2113(E), dated 5th July 2017, for “ acting within his authority” .

- (g) the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.
- (5) The terms and conditions of appointment of independent directors shall be open for inspection at the registered office of the company by any member during normal business hours.
- (6) The terms and conditions of appointment of independent directors shall also be posted on the company's website.

V. Re-appointment:

The re-appointment of independent director shall be on the basis of report of performance evaluation.

VI. Resignation or removal:

- (1) The resignation or removal of an independent director shall be in the same manner as is provided in sections 168 and 169 of the Act.
- (2) An independent director who resigns or is removed from the Board of the company shall be replaced by a new independent director within ¹[three months] from the date of such resignation or removal, as the case may be.
- (3) Where the company fulfils the requirement of independent directors in its Board even without filling the vacancy created by such resignation or removal, as the case may be, the requirement of replacement by a new independent director shall not apply.

VII. Separate meetings:

- (1) The independent directors of the company shall hold at least one meeting ²[in a financial year], without the attendance of non-independent directors and members of management;
- (2) All the independent directors of the company shall strive to be present at such meeting;
- (3) The meeting shall:
- (a) review the performance of non-independent directors and the Board as a whole;
 - (b) review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
 - (c) assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

VIII. Evaluation mechanism:

- (1) The performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.
- (2) On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director.

³[**Note:** The Provisions of sub-paragraph (2) and (7) of paragraph II, paragraph IV, paragraph V, clauses (a) and (b) of sub-paragraph (3) of paragraph VI and paragraph VIII shall not apply in the case of a Government company as defined under clause (45) of section 2 of the Companies Act, 2013 (18 of 2013), if the requirements in respect of matters specified in these paragraph are specified by the concerned Ministries or Departments of the Central Government or as the case may be, the State Governments and such requirements are complied with by the Government companies.]

1. Subs. by Notification No. S.O. 2113(E), dated 5th July 2017, for "a period of not more than one hundred and eight days" (w.e.f. 5-7-2017).

2. Subs. by *ibid.*, for "in a year" (w.e.f. 5-7-2017).

3. Ins. by *ibid.* (w.e.f. 5-7-2017).

⁸⁹[(2A) The provisions as specified in regulation 17 shall not be applicable during the insolvency resolution process period in respect of a listed entity ⁹⁰[or a ‘high value debt listed entity’] which is undergoing corporate insolvency resolution process under the Insolvency Code:

Provided that the role and responsibilities of the board of directors as specified under regulation 17 shall be fulfilled by the interim resolution professional or resolution professional in accordance with sections 17 and 23 of the Insolvency Code⁹¹[:]

⁹²[Provided further that such listed entity shall ensure compliance with regulation 17 within a period of three months of approval of resolution plan under section 31 of the Insolvency Code.]

(2B) The provisions as specified in regulations 18, 19, 20 and 21 shall not be applicable during the insolvency resolution process period in respect of a listed entity ⁹³[or a ‘high value debt listed entity’] which is undergoing corporate insolvency resolution process under the Insolvency Code:

Provided that the roles and responsibilities of the committees specified in the respective regulations shall be fulfilled by the interim resolution professional or resolution professional⁹⁴[:]⁹⁵

⁹⁶[Provided further that such listed entity shall ensure compliance with regulations 18, 19, 20 and 21 within a period of three months of approval of resolution plan under section 31 of the Insolvency Code.]

(3) Notwithstanding sub-regulation (2) above, the provisions of Companies Act, 2013 shall continue to apply, wherever applicable.

Definitions.

16. (1) For the purpose of this chapter , unless the context otherwise requires -

- (a) "control" shall have the same meaning as assigned to it under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

⁸⁹ Inserted by SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2018, w.e.f. 31.05.2018.

⁹⁰ Inserted by the SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2021 w.e.f. 7.9.2021.

⁹¹ Substituted for the symbol “.” by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 w.e.f. 13.12.2024.

⁹² Inserted by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 w.e.f. 13.12.2024.

⁹³ Inserted by the SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2021 w.e.f. 7.9.2021.

⁹⁴ Substituted for the symbol “.” by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 w.e.f. 13.12.2024.

⁹⁵ Inserted by SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2018, w.e.f. 31.05.2018.

⁹⁶ Inserted by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 w.e.f. 13.12.2024.

- (b) "independent director" means a non-executive director, other than a nominee director of the listed entity:
- (i) who, in the opinion of the board of directors, is a person of integrity and possesses relevant expertise and experience;
 - (ii) who is or was not a promoter of the listed entity or its holding, subsidiary or associate company ⁹⁷[or member of the promoter group of the listed entity];
 - (iii) who is not related to promoters or directors in the listed entity, its holding, subsidiary or associate company;
 - (iv) who, apart from receiving director's remuneration, has or had no material pecuniary relationship with the listed entity, its holding, subsidiary or associate company, or their promoters, or directors, during the ⁹⁸[three] immediately preceding financial years or during the current financial year;
 - (v) none of whose relatives—
 - ⁹⁹[(A) is holding securities of or interest in the listed entity, its holding, subsidiary or associate company during the three immediately preceding financial years or during the current financial year of face value in excess of fifty lakh rupees or two percent of the paid-up capital of the listed entity, its holding, subsidiary or associate company, respectively, or such higher sum as may be specified;
 - (B) is indebted to the listed entity, its holding, subsidiary or associate company or their promoters or directors, in excess of such amount as may be specified during the three immediately preceding financial years or during the current financial year;
 - (C) has given a guarantee or provided any security in connection with the indebtedness of any third person to the listed entity, its holding, subsidiary or associate company or their promoters or directors, for such amount as may be specified during the three immediately preceding financial years or during the current financial year; or
 - (D) has any other pecuniary transaction or relationship with the listed entity, its holding, subsidiary or associate company amounting to two percent or more of its gross turnover or total income:

Provided that the pecuniary relationship or transaction with the listed entity, its holding, subsidiary or associate company or their promoters, or directors in relation to points (A) to (D) above shall not exceed two percent of its gross turnover or total income or fifty lakh rupees or such higher amount as may be specified from time to time, whichever is lower.]

⁹⁷ Inserted by the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, w.e.f. 1.10.2018.

⁹⁸ Substituted by the SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2021 read with the corrigendum, w.e.f. 1.1.2022 for the word "two".

⁹⁹ Substituted by the SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2021 read with the corrigendum, w.e.f. 1.1.2022 for the following:

"has or had pecuniary relationship or transaction with the listed entity, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent. or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed from time to time, whichever is lower, during the two immediately preceding financial years or during the current financial year".

- (vi) who, neither himself ¹⁰⁰["/herself"], nor whose relative(s) —
- (A) holds or has held the position of a key managerial personnel or is or has been an employee of the listed entity or its holding, subsidiary or associate company ¹⁰¹[or any company belonging to the promoter group of the listed entity,] in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed:
¹⁰²[Provided that in case of a relative, who is an employee other than key managerial personnel, the restriction under this clause shall not apply for his / her employment.]
 - (B) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of —
 - (1) a firm of auditors or company secretaries in practice or cost auditors of the listed entity or its holding, subsidiary or associate company; or
 - (2) any legal or a consulting firm that has or had any transaction with the listed entity, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
 - (C) holds together with his relatives two per cent or more of the total voting power of the listed entity; or
 - (D) is a chief executive or director, by whatever name called, of any non-profit organisation that receives twenty-five per cent or more of its receipts or corpus from the listed entity, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the listed entity;
 - (E) is a material supplier, service provider or customer or a lessor or lessee of the listed entity;
- (vii) who is not less than 21 years of age.
- ¹⁰³[(viii) who is not a non-independent director of another company on the board of which any non-independent director of the listed entity is an independent director:]
- ¹⁰⁴[Explanation- In case of a 'high value debt listed entity':
- (a) which is a body corporate, mandated to constitute its board of directors in a specific manner in accordance with the law under which it is established, the non- executive directors on its board shall be treated as independent directors;

¹⁰⁰ Inserted by the SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2021 read with the corrigendum, w.e.f. 1.1.2022.

¹⁰¹ Inserted by the SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2021 read with the corrigendum, w.e.f. 1.1.2022.

¹⁰² Inserted by the SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2021 read with the corrigendum, w.e.f. 1.1.2022.

¹⁰³ Inserted by the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, w.e.f. 1.10.2018.

¹⁰⁴ Inserted by the SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2021 w.e.f. 7.9.2021.

(b) which is a Trust, mandated to constitute its ‘board of trustees’ in accordance with the law under which it is established, the non-employee trustees on its board shall be treated as independent directors.]

- (c) “material subsidiary” shall mean a subsidiary, whose ¹⁰⁵[turnover] or net worth exceeds ¹⁰⁶[ten] percent of the consolidated ¹⁰⁷[turnover] or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

Explanation.- The listed entity shall formulate a policy for determining ‘material’ subsidiary.

¹⁰⁸[(d) “senior management” shall mean the officers and personnel of the listed entity who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the ¹⁰⁹[persons identified and designated as key managerial personnel, other than the board of directors, by the listed entity].]

Board of Directors.

17. (1) The composition of board of directors of the listed entity shall be as follows:

- (a) board of directors shall have an optimum combination of executive and non-executive directors with at least one woman director and not less than fifty per cent. of the board of directors shall comprise of non-executive directors;

¹¹⁰[Provided that the Board of directors of the ¹¹¹[***] top 1000 listed entities shall have at least one independent woman director ¹¹²[***];

¹⁰⁵ Substituted for the word “income” by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 w.e.f. 13.12.2024

¹⁰⁶ Substituted *ibid* for the word “twenty”, w.e.f. 1.4.2019.

¹⁰⁷ Substituted for the word “income” by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 w.e.f. 13.12.2024

¹⁰⁸ Substituted by the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2023 w.e.f. 17.1.2023. Prior to the substitution, the clause read as follows:

““senior management” shall mean officers/personnel of the listed entity who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the ¹⁰⁸["chief executive officer/managing director/whole time director/manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include company secretary and chief financial officer.]”

¹⁰⁹ Substituted for the words “Company Secretary and the Chief Financial Officer” by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 w.e.f. 13.12.2024

¹¹⁰ Inserted by the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, w.e.f. 1.4.2019.

¹¹¹ The words “top 500 listed entities shall have at least one independent woman director by April 1, 2019 and the Board of directors of the” omitted by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2024 w.e.f. 31.12.2024.

¹¹² The words “by April 1, 2020” omitted by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2024 w.e.f. 31.12.2024.

Provided that any association of the individual or the firm as the Secretarial Auditor of the listed entity before March 31, 2025 shall not be considered for the purpose of calculating the tenure under clause (b) of sub-regulation (1).]

²²²[(2) Every listed entity shall submit a secretarial compliance report in such form as specified, to stock exchanges, within sixty days from end of each financial year²²³[:]]

²²⁴[Provided that the listed entity shall ensure that with effect from April 1, 2025, the Secretarial Compliance Report submitted to the stock exchange(s) on annual basis is signed only by the Secretarial Auditor or by a Peer Reviewed Company Secretary who satisfies the conditions mentioned in sub-regulations (1A) and (1B) of this regulation.]

Obligations with respect to independent directors.

25. ²²⁵[(1) No person shall be appointed or continue as an alternate director for an independent director of a listed entity with effect from October 1, 2018.]

(2) The maximum tenure of independent directors shall be in accordance with the Companies Act, 2013 and rules made thereunder, in this regard, from time to time.

²²⁶[(2A). The appointment, re-appointment or removal of an independent director of a listed entity, shall be subject to the approval of shareholders by way of a special resolution.]

²²⁷[Provided that where a special resolution for the appointment of an independent director fails to get the requisite majority of votes but the votes cast in favour of the resolution exceed the votes cast against the resolution and the votes cast by the public shareholders in favour of the resolution exceed the votes cast against the resolution, then the appointment of such an independent director shall be deemed to have been made under sub-regulation (2A):

Provided further that an independent director appointed under the first proviso shall be removed only if the votes cast in favour of the resolution proposing the removal exceed the votes cast against the resolution and the votes cast by the public shareholders in favour of the resolution exceed the votes cast against the resolution.]

²²² Inserted by the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021 w.e.f. 5.5.2021.

²²³ Substituted for the symbol “.” by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 w.e.f. 13.12.2024.

²²⁴ Inserted by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 w.e.f. 13.12.2024.

²²⁵ Substituted by the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, w.e.f. the date specified in the provision. Prior to the substitution, sub-regulation (1) read as follows:

“(1) A person shall not serve as an independent director in more than seven listed entities: Provided that any person who is serving as a whole time director in any listed entity shall serve as an independent director in not more than three listed entities.”

²²⁶ Inserted by the SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2021 read with the corrigendum, w.e.f. 1.1.2022.

²²⁷ Inserted by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2022 w.e.f. 14.11.2022.

- (3) The independent directors of the listed entity shall hold at least one meeting in a ²²⁸[financial] year, without the presence of non-independent directors and members of the management and all the independent directors shall strive to be present at such meeting.
- (4) The independent directors in the meeting referred in sub-regulation (3) shall, *inter alia*-
- (a) review the performance of non-independent directors and the board of directors as a whole;
 - (b) review the performance of the chairperson of the listed entity, taking into account the views of executive directors and non-executive directors;
 - (c) assess the quality, quantity and timeliness of flow of information between the management of the listed entity and the board of directors that is necessary for the board of directors to effectively and reasonably perform their duties.
- (5) An independent director shall be held liable, only in respect of such acts of omission or commission by the listed entity which had occurred with his ²²⁹[her] knowledge, attributable through processes of board of directors, and with his ²³⁰[her] consent or connivance or where he ²³¹[she] had not acted diligently with respect to the provisions contained in these regulations.
- (6) ²³²[***]
- (7) The listed entity shall familiarise the independent directors through various programmes about the listed entity, including the following:
- (a) nature of the industry in which the listed entity operates;
 - (b) business model of the listed entity;
 - (c) roles, rights, responsibilities of independent directors; and
 - (d) any other relevant information.

²³³[(8) Every independent director shall, at the first meeting of the board in which he participates as a director and thereafter at the first meeting of the board in every financial year or whenever there is any change in the circumstances which may affect his status as an independent director, submit a declaration that he meets the criteria of independence as provided in clause (b) of sub-regulation (1) of regulation 16 and that he is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or

²²⁸ Inserted by the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021 w.e.f. 5.5.2021.

²²⁹ Inserted by the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021 w.e.f. 5.5.2021.

²³⁰ Inserted by the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021 w.e.f. 5.5.2021.

²³¹ Inserted by the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021 w.e.f. 5.5.2021.

²³² Omitted by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 w.e.f. 13.12.2024. Prior to the omission, the sub-regulation read as under-
“(6)An independent director who resigns or is removed from the board of directors of the listed entity shall be replaced by a new independent director by listed entity at the earliest but not later than three months from the date of such vacancy:

Provided that where the listed entity fulfils the requirement of independent directors in its board of directors without filling the vacancy created by such resignation or removal, the requirement of replacement by a new independent director shall not apply.”

²³³ Inserted by the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 w.e.f. 1.4.2019 or the date specified in the provisions.

impact his ability to discharge his duties with an objective independent judgment and without any external influence.

(9) The board of directors of the listed entity shall take on record the declaration and confirmation submitted by the independent director under sub-regulation (8) after undertaking due assessment of the veracity of the same.

(10) ²³⁴[The] top ²³⁵{1000} listed entities by market capitalization ²³⁶[***] shall undertake Directors and Officers insurance ('D and O insurance') for all their independent directors of such quantum and for such risks as may be determined by its board of directors.]

²³⁷[(11). No independent director, who resigns from a listed entity, shall be appointed as an executive / whole time director on the board of the listed entity, its holding, subsidiary or associate company or on the board of a company belonging to its promoter group, unless a period of one year has elapsed from the date of resignation as an independent director.]

²³⁸[(12) A 'high value debt listed entity' shall undertake Directors and Officers insurance (D and O insurance) for all its independent directors for such sum assured and for such risks as may be determined by its board of directors.]

²³⁹[Obligations with respect to employees including senior management, ²⁴⁰[key managerial personnel], directors and promoters.]

26. (1) A director shall not be a member in more than ten committees or act as chairperson of more than five committees across all listed entities in which he ²⁴¹[/she] is a director which shall be determined as follows:

(a) the limit of the committees on which a director may serve in all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies²⁴²[***] and companies under Section 8 of the Companies Act, 2013 shall be excluded;

²³⁴ Substituted for the words "With effect from {January 1, 2022}, the" by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2024 w.e.f. 31.12.2024.

²³⁵ Substituted for the number "500" by the SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2021 read with the corrigendum, w.e.f. 1.1.2022.

²³⁶ The words "calculated as on March 31 of the preceding financial year," omitted by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2024 w.e.f. 31.12.2024

²³⁷ Inserted by the SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2021 read with the corrigendum, w.e.f. 1.1.2022.

²³⁸ Inserted by the SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2021 w.e.f. 7.9.2021.

²³⁹ Substituted by SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2016, w.e.f. 04.01.2017. Prior to substitution, the title read as follows-
"Obligations with respect to directors and senior management"

²⁴⁰ Substituted for the words "key managerial persons" by the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2023, w.e.f. 17.1.2023

²⁴¹ Inserted by the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021 w.e.f. 5.5.2021.

²⁴² Words "high value debt listed entities" inserted by the SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2021 w.e.f. 7.9.2021, omitted by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2025 w.e.f. 28.03.2025.

- (b) for the purpose of determination of limit, chairpersonship and membership of the audit committee and the Stakeholders' Relationship Committee alone shall be considered.
- (2) Every director shall inform the listed entity about the committee positions he or she occupies in other listed entities and notify changes as and when they take place.
- (3) All members of the board of directors and senior management personnel shall affirm compliance with the code of conduct of board of directors and senior management on an annual basis.
- (4) ²⁴³***]
- (5) Senior management shall make disclosures to the board of directors relating to all material, financial and commercial transactions, where they have personal interest that may have a potential conflict with the interest of the listed entity at large.
Explanation.- For the purpose of this sub-regulation, conflict of interest relates to dealing in the shares of listed entity, commercial dealings with bodies, which have shareholding of management and their relatives etc.

²⁴⁴[(6) No employee including key managerial personnel or director or promoter of a listed entity shall enter into any agreement for himself ²⁴⁵[/herself] or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of such listed entity, unless prior approval for the same has been obtained from the Board of Directors as well as public shareholders by way of an ordinary resolution:

²⁴⁶[Provided that all interested persons involved in the transaction covered under the agreement shall abstain from voting in the general meeting:]

Provided further that ²⁴⁷[any such subsisting agreement that continues subsequent to the listing] shall be placed for approval before the Board of Directors ²⁴⁸***];

²⁴³ Omitted by the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021 w.e.f. 5.5.2021. Prior to the omission, sub-regulation (4) read as follows:

“Non-executive directors shall disclose their shareholding, held either by them or on a beneficial basis for any other persons in the listed entity in which they are proposed to be appointed as directors, in the notice to the general meeting called for appointment of such director.”

²⁴⁴ Inserted by SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2016, w.e.f. 04.01.2017.

²⁴⁵ Inserted by the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021 w.e.f. 5.5.2021.

²⁴⁶ Substituted by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 w.e.f. 13.12.2024. Prior to the substitution, the proviso read as under-
“Provided that such agreement, if any, whether subsisting or expired, entered during the preceding three years from the date of coming into force of this sub-regulation, shall be disclosed to the stock exchanges for public dissemination.”

²⁴⁷ Substituted for the words and symbols “subsisting agreement, if any, as on the date of coming into force of this sub-regulation” by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 w.e.f. 13.12.2024.

²⁴⁸ The words “in the forthcoming Board meeting” omitted by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 w.e.f. 13.12.2024.

Provided further that if the Board of Directors approve such agreement, the same shall be placed before the public shareholders for approval by way of an ordinary resolution in the ²⁴⁹[first general meeting held after listing and all interested persons involved in the transaction covered under the agreement shall abstain from voting in the general meeting]:

²⁵⁰[***]

Explanation - For the purposes of this sub-regulation, ‘interested person’ shall mean any person holding voting rights in the listed entity and who is in any manner, whether directly or indirectly, interested in an agreement or proposed agreement, entered into or to be entered into by such a person or by any employee or key managerial personnel or director or promoter of such listed entity with any shareholder or any other third party with respect to compensation or profit sharing in connection with the securities of such listed entity.]

²⁵¹**[Vacancies in respect of certain Key Managerial Personnel]**

26A. (1) Any vacancy in the office of Chief Executive Officer, Managing Director, Whole Time Director or Manager shall be filled by the listed entity at the earliest and in any case not later than three months from the date of such vacancy:

²⁵² [Provided that where the listed entity is required to obtain approval of regulatory, government or statutory authorities to fill up such vacancies, then the vacancies shall be filled up by the listed entity at the earliest and in any case not later than six months from the date of vacancy;]

Provided ²⁵³[further] that the listed entity shall not fill such vacancy by appointing a person in interim capacity, unless such appointment is made in accordance with the laws applicable in case of a fresh appointment to such office and the obligations under such laws are made applicable to such person.

(2) Any vacancy in the office of the Chief Financial Officer shall be filled by the listed entity at the earliest and in any case not later than three months from the date of such vacancy:

²⁵⁴ [Provided that where the listed entity is required to obtain approval of regulatory, government or statutory authorities to fill up such vacancy, then the vacancy shall be filled up by the listed entity at the earliest and in any case not later than six months from the date of vacancy;]

²⁴⁹ Substituted for the words “forthcoming general meeting” by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 w.e.f. 13.12.2024.

²⁵⁰ Omitted by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 w.e.f. 13.12.2024. Prior to the Omission, the proviso read as under- “Provided further that all interested persons involved in the transaction covered under the agreement shall abstain from voting in the general meeting.”

²⁵¹ Inserted by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 w.e.f. 15.7.2023.

²⁵² Inserted by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2024 w.e.f. 17.5.2024.

²⁵³ Inserted by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2024 w.e.f. 17.5.2024.

²⁵⁴ Inserted by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2024 w.e.f. 17.5.2024.